



Secure and Trusted Communications Networks Reimbursement Program Eighth Report

**Prepared by the:
Wireline Competition Bureau**

**Submitted to the:
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I. INTRODUCTION

In the Secure and Trusted Communications Networks Act of 2019 (Secure Networks Act or Act), Congress directed the Federal Communications Commission (Commission) to establish the Secure and Trusted Communications Networks Reimbursement Program (Reimbursement Program or Program) to reimburse eligible providers of advanced communications service for costs reasonably incurred to remove, replace, and dispose of communications equipment and services in their networks that pose national security risks.¹ The Secure Networks Act further directed the Commission to report to Congress, every 180 days, on both (1) “the implementation of the [Reimbursement] Program by the Commission”² and (2) “the work by recipients of reimbursements under the [Reimbursement] Program to permanently remove, replace, and dispose of covered communications equipment or services” in their networks.³

On January 10, 2023, the Wireline Competition Bureau (Bureau) submitted the First Report to Congress.⁴ In the First Report to Congress, the Bureau identified the steps the Commission had already taken to implement the Reimbursement Program, including: (1) establishing an application process and issuing funding allocation approvals;⁵ (2) reviewing Reimbursement Claims submitted by Reimbursement Program recipients;⁶ (3) guarding the Reimbursement Program from waste, fraud, and abuse;⁷ and (4) providing education and outreach about the Reimbursement Program to providers of advanced communications services.⁸ The First Report to Congress further explained that, based on required submissions from recipients, “many Reimbursement Program participants [had] begun some work toward permanently removing, replacing, and disposing of the covered communications equipment and services in their networks . . . [but were facing] certain challenges that may hinder their ability to start or complete that work, generally and within the time allowed by the Secure and Trusted Communications Networks Act of 2019 and the Commission’s rules,”⁹ particularly lack of sufficient funding.¹⁰ The Bureau has subsequently submitted six additional Reports to Congress describing the Bureau’s ongoing review of Reimbursement Claims and noting that recipients continued to identify challenges that hindered their

¹ Secure and Trusted Communications Networks Act of 2019, Pub. L. No. 116-124, 133 Stat. 158 (2020) (codified as amended at 47 U.S.C. §§ 1601–09).

² *Id.* at § 1603(d)(8)(C)(i).

³ *Id.* at § 1603(d)(8)(C)(ii). The Secure and Trusted Communications Networks Act defines a “recipient” as “any provider of advanced communications service the application of which for a reimbursement under the Program has been approved by the Commission, regardless of whether the provider has received reimbursement funds.” *Id.* at § 1608(11). Accordingly, this report refers to providers that submitted approved applications as “recipients.”

⁴ Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Report (Jan. 11, 2023), <https://www.fcc.gov/document/supply-chain-reimbursement-program-report> (First Report to Congress).

⁵ *Id.* at 1-6.

⁶ *Id.* at 6-8.

⁷ *Id.* at 8-11.

⁸ *Id.* at 12-14.

⁹ *Id.* at 12.

¹⁰ *Id.* at 15. In 2020, Congress passed the Consolidated Appropriations Act, 2021, which amended the Secure and Trusted Communications Networks Act and appropriated \$1.9 billion to the Commission to “carry out” the Secure and Trusted Communications Networks Act. Consolidated Appropriations Act, 2021, Pub. L. No. 116–260, § 906, 134 Stat. 1182 (2020) (CAA). The \$1.9 billion allocation was \$3.08 billion less than the \$4.98 billion in approved and reasonable cost estimates submitted in applications to the Program. As discussed below, in December 2024 Congress authorized more funding for the Program to address the funding shortfall.

ability to complete the work, including the initial funding shortfall, supply chain delays, labor shortages, and weather-related issues.¹¹

The Bureau now submits this Eighth Report to Congress to explain the additional steps the Commission has taken since December 2025 to implement the Reimbursement Program and to provide an update on recipient progress toward removal, replacement, and disposal of covered communications equipment and services in the intervening months.¹² Notably, most recipients had a term deadline of May 8, 2026 to complete their work. The Bureau is pleased to report that as of the date of this Report, recipients have filed final certifications for 53 of the 126 Priority 1 applications, indicating that they have permanently removed, replaced, and disposed of all covered communications equipment and services that were in their networks as of the date they submitted their applications to the Reimbursement Program. As of the date of this Report, recipients initiated the closeout process for 22 applications and completed this process for 12 applications, indicating compliance with all requirements and certifications necessary to finish their participation in the Program. As explained below, most of the remaining recipients received limited extensions of the deadline based on demonstrating to the Bureau, as required under the Secure Networks Act and Commission rules, that “due to no fault of such recipient, such recipient is unable to complete the permanent removal, replacement, and disposal by the end of the term.”¹³ The remainder have filed status updates or final certifications indicating completion of their projects.

II. DISCUSSION

A. Report on the Commission’s Implementation of the Reimbursement Program

The Bureau has received and reviewed the thirteenth and fourteenth rounds of status updates submitted by Reimbursement Program recipients on or around December 29, 2025 and March 30, 2026¹⁴ to monitor progress made on the recipients’ projects, as well as the seventh round of spending reports submitted by recipients on or around February 10, 2026.¹⁵ The following sections discuss the information gained from these filings as well as other recent positive developments in the Reimbursement Program.

¹¹ Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Second Report, at 8-9 (July 10, 2023), <https://www.fcc.gov/document/supply-chain-reimbursement-program-second-report> (Second Report to Congress); Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Third Report (Jan. 5, 2024), <https://www.fcc.gov/document/supply-chain-reimbursement-program-report> (Third Report to Congress); Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Fourth Report (July 1, 2024), <https://www.fcc.gov/document/supply-chain-reimbursement-program-fourth-report> (Fourth Report to Congress); Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Fifth Report (Dec. 30, 2024), <https://www.fcc.gov/document/supply-chain-reimbursement-program-fifth-report> (Fifth Report to Congress); Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Sixth Report to Congress (June 30, 2025), <https://www.fcc.gov/document/supply-chain-reimbursement-program-sixth-report> (Sixth Report to Congress) Wireline Competition Bureau, Secure and Trusted Communications Networks Reimbursement Program Seventh Report to Congress (Dec. 19, 2025), <https://docs.fcc.gov/public/attachments/DOC-416757A1.pdf> (Seventh Report to Congress).

¹² 47 CFR § 1.50004(k)(3) (delegating to the Bureau the obligation to prepare the report to Congress required by 47 U.S.C. § 1603(d)(8)(C)).

¹³ *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Order, DA 26-435, at 2, para. 5 (WCB May 1, 2026) (*May 1, 2026 Extension Order*) (citing 47 U.S.C. § 1603(d)(6)(C); 47 CFR § 1.50004(h)(2)).

¹⁴ FCC, Secure and Trusted Communications Networks Act Reimbursement Program – Status Updates, <https://www.fcc.gov/supplychain/reimbursement> (last visited June 2, 2026).

¹⁵ FCC, Secure and Trusted Communications Networks Act Reimbursement Program – Spending Reports, <https://www.fcc.gov/supplychain/reimbursement> (last visited June 2, 2026).

1. Allocation of Additional Funding

The 2025 NDAA authorized the Commission to borrow up to \$3.08 billion to carry out the Program,¹⁶ in addition to the \$1.9 billion appropriated in 2021. The Commission borrowed the full \$3.08 billion from the United States Treasury in March of 2025. On April 15, 2025, the Bureau and the Office of Managing Director made available a further allocation of funding to Priority 1 recipients¹⁷ other than those that had completed all required work and completed the closeout process without using all of their initial allocation.¹⁸ The further allocation included funds from the amount borrowed under the 2025 NDAA and brought each Priority 1 recipient's total allocation up to 100% of its original approved cost estimates. With this further allocation, recipients should be able to move swiftly to fulfill their removal, replacement, and disposal work under the Secure Networks Act and Program rules.¹⁹

As part of the allocation process, the Bureau made an initial distribution to each active Priority 1 recipient from the NDAA allocation on May 8, 2025, initiating a one-year term for each active Priority 1 recipient to complete the work of removing, replacing, and disposing of covered communications equipment and services in its network. In addition, on April 24, 2025, the Bureau granted applications to the Program filed by Level 3 Communications Inc. (Level 3) that previously were denied due to lack of funding, and the Bureau and Office of Managing Director (OMD) allocated to Level 3 the remaining available funds from the amount borrowed under the 2025 NDAA, which totaled 29.79% of Level 3's original approved cost estimates. Level 3 had one year from the date of the first disbursement of funds from that allocation to complete its removal, replacement, and disposal work for each application. Level 3 received its first disbursement of funds on May 27, 2026, meaning Level 3 has until May 27, 2027 to complete its removal, replacement, and disposal work.

After the Bureau distributed funds from the NDAA allocation, all active Priority 1 recipients were given until May 8, 2026 to complete their work under the Program. The Bureau has granted individual extension requests to that deadline for certain recipients, pursuant to the Secure Networks Act and Commission rules, where recipients showed delays due to causes beyond their control.²⁰ The Bureau conditioned the grants of the extensions on recipients providing additional detail and a timeline in their quarterly status updates to prove their ongoing progress toward completing their RRD work.²¹ Consistent with the critical goal of the Program of removing, replacing, and disposing of communications equipment and services in the nation's networks that pose national security risks, the Bureau has informed recipients that it will scrutinize any future extension requests very closely.²² The Bureau also denied two extension requests without prejudice on March 31, 2026, finding that the requestors failed to adequately and

¹⁶ Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025, Pub. L. 118-159, § 5404(c)(1), 118th Cong. (2024) (2025 NDAA).

¹⁷ A "Priority 1" recipient is one with two million or fewer customers at the time it applied to the Program. 47 CFR § 1.50004(f).

¹⁸ *Wireline Competition Bureau Announces Availability of Additional Funding for the Rip-And-Replace Program*, WC Docket No. 18-89, Public Notice, 40 FCC Rcd 2520 (WCB 2025) (*Further Allocation Public Notice*).

¹⁹ *Id.*

²⁰ *May 1, 2026 Extension Order* at 1-2, paras. 1-5, Appendix A.

²¹ *Id.* at 2, para. 3.

²² *Id.* at 1, para. 2; see also *Streamlined Resolution of Requests Under the Secure and Trusted Communications Networks Reimbursement Program*, WC Docket No. 18-89, Public Notice, 40 FCC Rcd 1323, 1326-27 (WCB 2025).

specifically demonstrate why they are unable to complete the permanent RRD of covered equipment in their networks due to factors beyond their control.²³

2. The Bureau's Review of Reimbursement Claims and Status of Claim Filings

Over the past six months, the Bureau has continued to review Reimbursement Claims submitted by recipients and disburse funds within the approved funding allocations for costs reasonably incurred to remove, replace, and dispose of covered communications equipment and services. As of May 29, 2026, the Fund Administrator and Bureau had received 57,743 Reimbursement Claims. Also as of May 29, 2026, the Bureau and OMD had approved \$1,492,812,161 in Reimbursement Claims for which funds have been fully disbursed to recipients or are in the process of being disbursed through the U.S. Treasury.

The Fund Administrator,²⁴ the Bureau, and OMD evaluate Reimbursement Claims based on information provided by the Reimbursement Program recipient.²⁵ The reviewers examine expenses submitted for reimbursement to determine whether they are “reasonably incurred” for the removal, replacement, and disposal of covered communications equipment and services,²⁶ which the Fund Administrator and the Bureau evaluate on a case-by-case basis by considering, among other things: (1) whether the cost is typically incurred when transitioning from covered communications equipment or services to a replacement; (2) the cost relative to alternative equipment and services; and (3) the capabilities and functions performed by the replacement equipment and services as compared to the equipment and services removed.²⁷ During their review, the Fund Administrator and Bureau compare the Reimbursement Claim to the price ranges in the Cost Catalog previously issued by the Bureau;²⁸ review supporting invoice documentation, paying particular attention to potential discrepancies and any indication that the invoice is not fully supported; consider any additional justification or explanation submitted by the recipient; and seek any additional necessary information from recipients. To obtain any

²³ *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Order, DA 26-316 (WCB Mar. 31, 2026).

²⁴ On April 28, 2021, the Bureau announced the selection of Ernst & Young LLP as the Reimbursement Program Fund Administrator to assist the Bureau with processing applications and administering the Reimbursement Program. *Wireline Competition Bureau Announces Selection of the Secure and Trusted Communications Networks Reimbursement Program Fund Administrator*, WC Docket No. 18-89, Public Notice, 36 FCC Rcd 7600 (2021).

²⁵ See, e.g., FCC, *Secure and Trusted Communications Networks Reimbursement Program FCC Form 5640 Part G and Modifications of FCC Form 5640 Part C User Guide* (Sept. 12, 2022), <https://www.fcc.gov/sites/default/files/supply-chain-user-guide-09122022.pdf> (Sept. 2022 User Guide).

²⁶ 47 CFR § 1.50004(g); see *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Third Report and Order, 36 FCC Rcd 11958, 11992-96, paras. 86-94 (2021) (*2021 Supply Chain Order*); *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Second Report and Order, 35 FCC Rcd 14284, 14334-36, paras. 118-21 (2020) (*2020 Supply Chain Order*).

²⁷ See *2021 Supply Chain Order*, 36 FCC Rcd at 11992-96, paras. 85-94; *2020 Supply Chain Order*, 35 FCC Rcd at 14334-36, paras. 118-20.

²⁸ See 47 CFR § 1.50004(c)(1)(i) (“Eligible providers may rely upon the predetermined estimated costs identified in the Catalog of Expenses Eligible for Reimbursement made available by the Wireline Competition Bureau.”); *Wireline Competition Bureau Finalizes Application Filings, Procedures, Cost Catalog, and Replacement List for the Secure and Trusted Communications Networks Reimbursement Program*, WC Docket No. 18-89, Public Notice, 36 FCC Rcd 12190, 12215, para. 73 (WCB 2021) (*Finalized Procedures Public Notice*) (adopting Cost Catalog). The Cost Catalog was created for applicants to rely on, where applicable, when submitting cost estimates in their applications, and to provide additional guidance regarding whether certain costs are reasonably incurred and reimbursable under the Reimbursement Program. Eligible providers that submitted their own cost estimates, rather than relying on the Cost Catalog, were required to submit supporting documentation and certify that the estimates were made in good faith. *Id.*

additional needed information, the Fund Administrator submits requests for information to the recipient.²⁹ This process is designed to allow reasonably incurred expenses to be paid while guarding the Reimbursement Program against waste, fraud, and abuse.³⁰

3. Reporting and Other Measures to Guard Against Waste, Fraud, and Abuse

The Secure Networks Act requires Reimbursement Program recipients to file certain reports to keep the Commission apprised of their progress in permanently removing, replacing, and disposing of the covered communications equipment and services in their networks, and directs the Commission to “tak[e] all necessary steps to avoid waste, fraud, and abuse with respect to the [Reimbursement] Program.”³¹ The Act also requires the Commission to conduct audits, reviews, and field investigations to ensure that recipients are complying with the Reimbursement Program’s requirements and performing all work required to permanently remove, replace, and dispose of their covered communications equipment and services.³² The Commission has established a compliance plan for the Reimbursement Program that includes audits and field investigations. Under the Commission’s rules, if a Reimbursement Program recipient violates the Secure Networks Act, the Commission’s rules implementing the statute, or the commitments made by the recipient in its application for reimbursement, and failed to cure the violation upon notice, the recipient shall be required to repay all funds received, be barred from further participation in the Reimbursement Program, be referred to appropriate law enforcement agencies for further action under applicable criminal and civil law, and may be barred by the Commission from participating in other Commission programs, including federal universal service support programs.³³

In part based on recommendations from the FCC’s Office of Inspector General, the Commission has taken additional steps to ensure that recipients comply with Program rules. On March 17, 2026, WCB and the Enforcement Bureau (EB) issued an enforcement advisory to “remind recipients in the [Program] of their ongoing obligation to comply with Program requirements designed to prevent waste, fraud, and abuse.”³⁴ Specifically, WCB and EB reminded Priority 1 recipients of the May 8, 2026 term deadline to remove, replace, and dispose of equipment or services, advised that extension requests for this deadline would be subject to scrutiny, and directed recipients that did seek an extension to include thorough explanations and documentary support for such a request.³⁵ WCB and EB further instructed recipients to retain and provide detailed documentation regarding project management expenses, and ensure complete and proper disposal of covered communications equipment.³⁶ WCB also reminded

²⁹ *Finalized Procedures Public Notice*, 36 FCC Rcd at 12203-04, para. 37.

³⁰ For further information on the Reimbursement Claim review process, see First Report to Congress at 7-8.

³¹ 47 U.S.C. § 1603(e)(1).

³² *Id.* at § 1603(e)(3)(A)-(B).

³³ 47 CFR § 1.50005.

³⁴ *Enforcement Bureau and Wireline Competition Bureau Joint Enforcement Advisory for Rip-and-Replace Program; Including Enhanced Oversight Mechanisms*, WC Docket No. 18-89, Public Notice, DA 26-252 (EB and WCB Mar. 17, 2026) (*Enforcement Advisory*). On May 21, 2026, EB proposed a penalty of \$14,000 and issued a Notice of Apparent Liability to one recipient, Stealth Communications Services, LLC, for denial of access to the Commission to conduct compliance inspections. *Stealth Communications Services, LLC, Notice of Apparent Liability for Forfeiture*, DA 26-504 (EB May 21, 2026), <https://docs.fcc.gov/public/attachments/DA-26-504A1.pdf> (finding that the recipient willfully and repeatedly violated section 1.50004(o) of the Commission’s rules, and stating that “denying the Fund Administrator access, with respect to two different premises, to conduct compliance inspections obstructs the Commission’s ability to ensure the Company’s compliance with all the requirements of the Reimbursement Program and impedes the Commission’s mandate to ensure the national security of U.S. critical communications infrastructure.”).

³⁵ *Enforcement Advisory* at 1-2.

³⁶ *Id.* at 2-3.

recipients of the steps necessary to complete their participation in the Program,³⁷ issued revised guidance to recipients on eligible costs,³⁸ and reviewed documentation where appropriate to confirm that payments issued to recipients were proper.

a. Status Updates

The Secure Networks Act requires recipients to submit “[n]ot less frequently than once every 90 days beginning on the date on which the Commission approves an application for a reimbursement under the [Reimbursement] Program . . . a status update on the work of the recipient to permanently remove, replace, and dispose of the covered communications equipment or services.”³⁹ To comply with this requirement, recipients are required to report on the efforts undertaken and challenges encountered in performing that work,⁴⁰ as well as whether the recipient has: (1) fully complied with, or is in the process of complying with, all requirements of the Reimbursement Program; (2) fully complied with, or is in the process of complying with, the commitments made in the recipient’s application; (3) permanently removed from its communications network, replaced, and disposed of, or is in the process of permanently removing, replacing, and disposing of, all covered communications equipment or services that were in the recipient’s network as of the date of the submission of the recipient’s application; and (4) fully complied with, or is in the process of complying with, the timeline submitted by the recipient in its application.⁴¹ Recipients must also report in detail on the availability of replacement equipment in the marketplace so the Commission can assess whether at any point in the Program, a general, six-month extension permitted by the statute is appropriate.⁴² Lastly, each status update must include a certification that affirms the accuracy of the information in the update.⁴³

Pursuant to the Commission’s rules implementing the status update requirement in the Secure Networks Act, recipients must submit these status updates every 90 days, with the first status update due 90 days after the approval of applications to the Program.⁴⁴ Since the Seventh Report to Congress, status updates were due on or around December 29, 2025 and March 30, 2026.⁴⁵ Recipients must submit these status updates until they have filed a final certification indicating completion of the removal, replacement, and disposal work. Recipients are required to submit their status updates via a module on the Reimbursement Program Online Portal. As required by the Secure Networks Act,⁴⁶ the Bureau has made

³⁷ *Wireline Competition Bureau Reminds Rip-and-Replace Program Recipients of the Necessary Steps to Complete Program Participation*, WC Docket No. 18-89, Public Notice, DA 26-386 (WCB Apr. 20, 2026).

³⁸ *Wireline Competition Bureau Updates Frequently Asked Questions and User Guides for the Rip-and-Replace Program*, WC Docket No. 18-89, Public Notice, DA 26-151 (WCB Feb. 12, 2026).

³⁹ 47 U.S.C. § 1603(d)(8)(A).

⁴⁰ 47 CFR § 1.50004(k)(1)(i).

⁴¹ *Id.* at §§ 1.50004(k)(1)(iii)-(vi). Removal, replacement, and disposal timelines submitted to the Commission must comport with the recipient’s deadline to complete the permanent removal, replacement, and disposal of covered communications equipment and services. 47 U.S.C. § 1603(d)(6)(A); 47 CFR § 1.50004(h).

⁴² 47 CFR § 1.50004(k)(1)(ii); *see 2020 Supply Chain Order*, 35 FCC Rcd at 14359, para. 183.

⁴³ *2020 Supply Chain Order*, 35 FCC Rcd at 14359, para. 184.

⁴⁴ 47 CFR § 1.50004(k); *see 2020 Supply Chain Order*, 35 FCC Rcd at 14359, para. 183 (“Although the statute allows us to require more frequently filed updates, we find an update every 90 days sufficient to keep the Commission informed of ongoing developments while not unduly burdening program recipients and diverting limited administrative resources away from the network transition process.”).

⁴⁵ *See Wireline Competition Bureau Reminds Rip-and-Replace Program Recipients of Their March 30, 2026 Status Update Filing Obligation*, WC Docket No. 18-89, Public Notice, DA 26-206 (WCB Feb. 27, 2026).

⁴⁶ 47 U.S.C. § 1603(d)(8)(B).

and will continue to make the status updates publicly available on the Commission’s website, while preventing disclosure of confidential information.⁴⁷

b. Spending Reports

The Secure Networks Act directed the Commission to “require recipients of reimbursement under the [Reimbursement] Program to submit to the Commission on a regular basis reports regarding how reimbursement funds have been spent, including detailed accounting of the covered communications equipment or services permanently removed and disposed of, and the replacement equipment or services purchased, rented, leased, or otherwise obtained, using reimbursement funds.”⁴⁸ The Commission determined that “requiring filings twice a year will provide information with sufficient frequency to allow the Commission to monitor against waste, fraud, and abuse while mitigating the reporting burden on recipients.”⁴⁹ It thus required that recipients submit spending reports “within 10 calendar days after the end of January and July, starting with the recipient’s initial draw down of disbursement funds and terminating once the recipient has filed a spending report showing the expenditure of all funds received as compared to the estimated costs submitted.”⁵⁰ The Commission required a “final spending report . . . following the filing of a final certification by the recipient.”⁵¹

Most recently, the seventh spending reports covered a reporting period ending December 31, 2025 and were due on February 10, 2026.⁵² The Bureau has made and will continue to make information from the filed spending reports publicly available on the Commission’s website, while preventing disclosure of confidential information.⁵³

B. Report on Work by Reimbursement Program Recipients to Permanently Remove, Replace, and Dispose of Covered Communications Equipment or Services

As discussed below, information received from Reimbursement Program recipients in their required status updates since the Seventh Report to Congress indicates that Reimbursement Program recipients have completed or are continuing to work toward permanently removing, replacing, and disposing of the covered communications equipment and services in their networks. Consistent with all prior status updates, recipients note certain challenges that may hinder their ability to complete that work, both in general and within the time allowed by the Secure Networks Act and the Commission’s rules.

1. Progress Towards Completion of Removal, Replacement, and Disposal Plans

In the thirteenth and fourteenth rounds of status updates, Reimbursement Program recipients were required to describe the ongoing progress of their work to permanently remove, replace, and dispose of the covered communications equipment and services that were in their networks at the time they submitted their applications. Based on the most recent round of status reports and final certifications, the

⁴⁷ See FCC, *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, <https://www.fcc.gov/supplychain/reimbursement> (last visited June 2, 2026).

⁴⁸ 47 U.S.C. § 1603(e)(2).

⁴⁹ *2020 Supply Chain Order*, 35 FCC Rcd at 14360, para. 188.

⁵⁰ 47 CFR § 1.50004(1); *2020 Supply Chain Order*, 35 FCC Rcd at 14360, para. 188.

⁵¹ 47 CFR § 1.50004(1)(1); *2020 Supply Chain Order*, 35 FCC Rcd at 14360, para. 188. The Commission further clarified that it “expect[s] program participants to submit the final spending report no later than 60 days following the expiration of the program participant’s reimbursement claim deadline.” *2021 Supply Chain Order*, 36 FCC Rcd at 12000, para. 105.

⁵² *Wireline Competition Bureau Reminds Rip-and-Replace Program Recipients of Their February 10, 2026 Spending Report Filing Obligation*, WC Docket No. 18-89, Public Notice, DA 26-31 (WCB Jan. 8, 2026).

⁵³ See 47 CFR § 1.50004(1)(3) (directing the Bureau to “make versions of the spending reports available on the Commission's website subject to confidentiality concerns consistent with the Commission's rules”).

Bureau estimates that Priority 1 recipients have completed the permanent removal, replacement, and disposal of *all* of the covered communications equipment and services for 42% of their applications. In light of the May 8, 2026 deadline for Priority 1 recipients to complete their work under the Program, the Bureau granted extensions to certain of these remaining recipients to complete their overall removal, replacement, and disposal plan by the required extension dates.⁵⁴

2. Challenges Encountered

Reimbursement Program recipients report in their status updates that they are experiencing four main challenges in their efforts to permanently remove, replace, and dispose of covered communications equipment and services in their networks: (1) supply chain delays; (2) labor shortages; (3) weather-related challenges; and (4) delays in obtaining permits.

a. Supply Chain Delays

Reimbursement Program recipients continue to express concern about the ability to obtain replacement equipment and services on schedule due to supply chain delays. Specifically, approximately 35% of recipients reported some challenges with securing replacement equipment in their most recent status updates, an increase from the approximately 17% of recipients that had indicated this when the Bureau submitted the Seventh Report to Congress.⁵⁵ Recipients continue to assert the same types of supply chain challenges, including long delays between the ordering and shipment of replacement equipment or the delivery of services, price increases since the recipient initially filed its application and accompanying cost estimates, and increased competition for replacement equipment and services leading to diminished availability.

b. Labor Shortages and Weather Impacts

Reimbursement Program recipients also report experiencing other circumstances that impact their ability to complete the removal, replacement, and disposal of covered communications equipment and services within the one-year time frame. Approximately 15% of recipients reported challenges with labor shortages in their most recent status updates, which reflects an increase from the 9% from the Seventh Report to Congress. Approximately 15% of recipients reported challenges with weather that impacted their efforts to work toward the removal, replacement, and disposal of covered communications equipment and services in their most recent status updates, which reflects an increase from the 4% of recipients that reported such challenges in the Seventh Report to Congress.

c. Permitting

Some recipients report long delays in obtaining permits to access and perform work, including on federally owned lands. For various reasons, some recipients have faced long delays for these permits, which in turn delays their progress on Program work. Approximately 11% of recipients reported challenges with permitting or related issues, such as obtaining access to sites the recipients lease from third parties, that have impacted the recipients' work toward the removal, replacement, and disposal of covered communications equipment and services.

C. Performance Goals and Measures

In establishing the Program, the Commission set out three goals to guide the Program's processes. First, the Commission set a goal to "create a simple and straightforward process, providing certainty to participants while minimizing the costs associated with reimbursement and the administrative burden on both affected parties and the Commission."⁵⁶ Second, the Commission decided that "the reimbursement

⁵⁴ *May 1, 2026 Extension Order* at Appendix A.

⁵⁵ Seventh Report to Congress at 8. These figures, and the ones that follow, are calculated using the 80 unique status updates received during the most recent reporting period.

⁵⁶ *2020 Supply Chain Order*, 35 FCC Rcd at 14344, para. 142.

mechanism should facilitate the prompt and efficient distribution of funds for the expeditious removal, replacement, and disposal of covered communications equipment and services posing a national security risk from the networks of participating providers.”⁵⁷ Third, the Commission set a goal that “the program should fairly cover the eligible costs reasonably incurred for reimbursement and include measures to prevent waste, fraud, and abuse.”⁵⁸ As the Secure Networks Act instructs the Commission, “[i]n developing the application process . . . , the Commission shall take reasonable steps to mitigate the administrative burden and costs associated with the application process, while taking into account the need to avoid waste, fraud, and abuse in the Program.”⁵⁹

Specifically, to measure progress toward the Commission’s first two goals associated with the reimbursement process and mechanisms, the Bureau has established several objective, measurable, and quantifiable performance metrics. The Bureau has set a goal to begin review of new Reimbursement Claim requests within 14 days. If the Bureau requires more information to review that Reimbursement Claim request, the Bureau established a goal to initiate the Request For Information (RFI) within 21 days of submission. The Bureau also established a goal to complete review of all Reimbursement Claim requests within 31 weekdays for invoices that are not subject to a pending modification request and do not require the Bureau or Fund Administrator to send the participant an RFI. For invoices that require an RFI or are subject to a pending modification request, the Bureau’s goal is to complete review in 60 weekdays. Regarding modifications, the Bureau’s goal is for the review time not to exceed 20 weekdays. The timing of these goals may be impacted by a recipient delaying or failing to respond to an RFI request. In order to measure the Commission’s third goal directing that the Program fairly cover the eligible costs reasonably incurred for reimbursement and prevent waste, fraud, and abuse, the Bureau seeks to avoid significant improper payments.⁶⁰

As of the end of the first quarter of 2026, the Bureau and Fund Administrator have consistently met these goals. The Bureau and Fund Administrator begin review of all Reimbursement Claim requests within 1.73 days, on average. For a breakdown of this metric by quarter, please see Exhibit 1. For reimbursement claim requests that require an RFI, the average time to send the first RFI is within 4.79 days. For a breakdown of this metric by quarter, please see Exhibit 2. The average review time for Reimbursement Claim requests when no modification is pending and no RFI is necessary is less than the goal of 31 weekdays. For a breakdown of the average processing times for invoices without associated modifications and for which no RFI is necessary, please see Exhibit 3.⁶¹ The average time to complete review of all Reimbursement Claim requests is less than the goal of 60 weekdays. For a breakdown of the processing times for all invoices, please see Exhibit 4. The average review time for a modification request that does not require an RFI has been less than the goal of 20 weekdays. For a breakdown of the time to review these modifications, please see Exhibit 5. Additionally, fewer than one-tenth of one percent of payments made under the Program have been deemed “improper,” which is a consistent factor in guarding the integrity of the Program. The Bureau and Fund Administrator continue to evaluate their performance against these measures every quarter. The Bureau continues to assess measures to improve

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ 47 U.S.C. § 1603.

⁶⁰ Under the Payment Integrity Information Act, agencies are required to develop improper payment estimates for programs that may be susceptible to significant improper payments. Improper payment levels are deemed “significant” where in the preceding fiscal year, the sum of a program or activity’s improper payments and payments whose propriety cannot be determined by the executive agency due to lacking or insufficient documentation may have exceeded— (i) \$10,000,000 of all reported program or activity payments of the executive agency made during that fiscal year and 1.5 percent of program outlays; or (ii) \$100,000,000. 31 U.S.C. § 3352(a)(3).

⁶¹ The Exhibits show data from the most recent quarter as well as the preceding year.

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review times for all Reimbursement Program submissions but is confident it will continue to meet these defined performance measures.

Exhibit 1: Time to Initiate Reimbursement Claim Review

Time Period	Dec. 2024 – Mar. 2025	Mar. 2025 – June 2025	June 2025 – Sep. 2025.	Oct. 2025 – Dec. 2025.	Jan. 2026 – Mar. 2026
Average # of Days	7.72	3.97	2.06	1.38	1.73

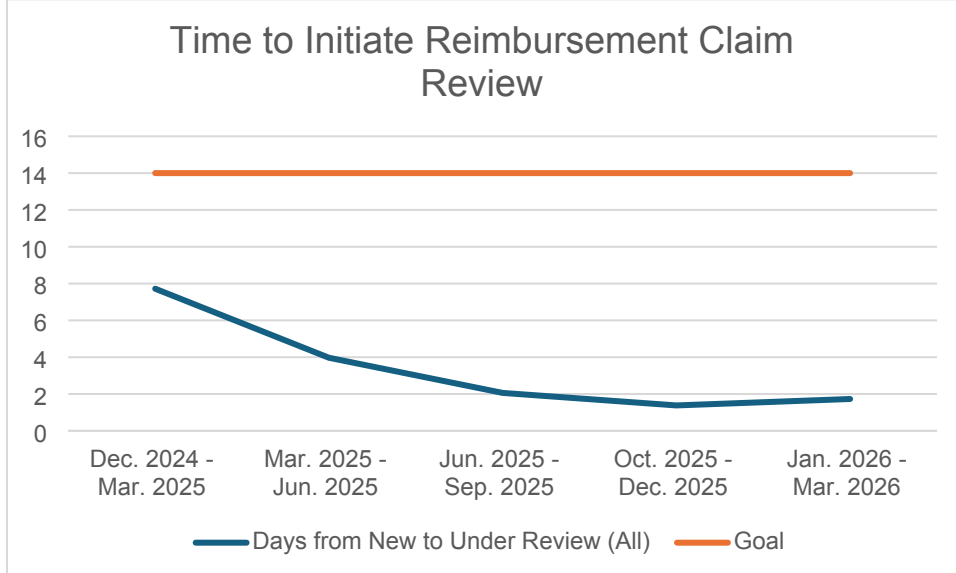


Exhibit 2: Time to Initiate RFI

Time Period	Dec. 2024 – Mar. 2025	Mar. 2025 – June 2025	June 2025 – Sep. 2025.	Oct. 2025 – Dec. 2025.	Jan. 2026 – Mar. 2026
Average # of Days	19.23	4.00	4.15	5.32	4.31

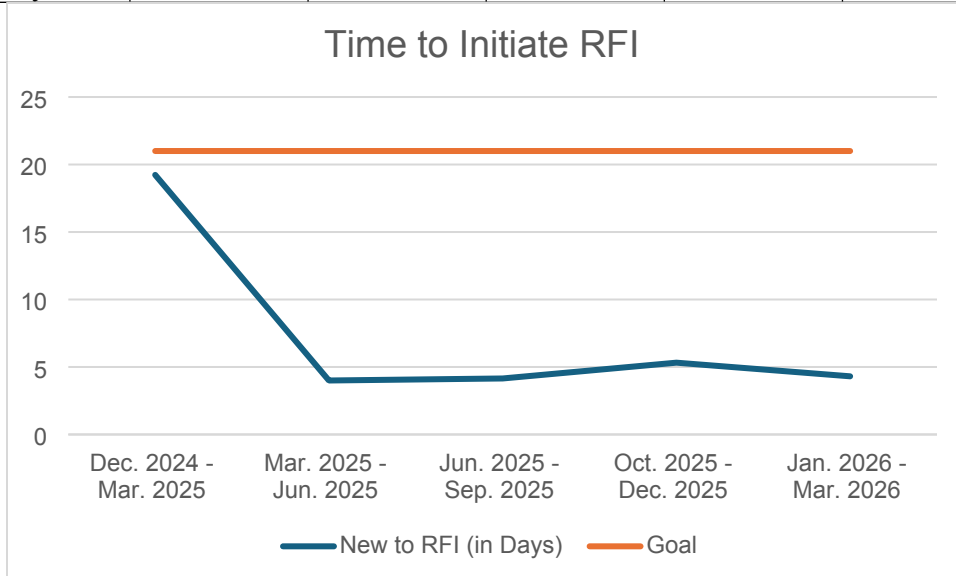


Exhibit 3: Reimbursement Claim Review Time (No modifications or RFIs)

Time Period	Dec. 2024 – Mar. 2025	Mar. 2025 – June 2025	June 2025 – Sep. 2025.	Oct. 2025 – Dec. 2025.	Jan. 2026 – Mar. 2026
Average #	7.62	7.41	15.85	9.23	7.38

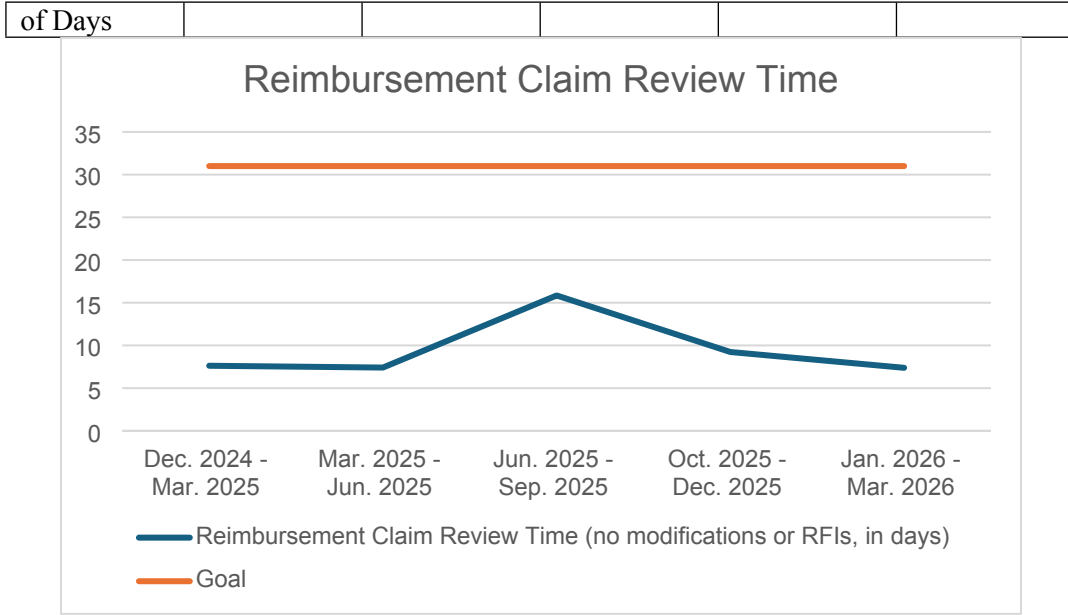


Exhibit 4: Reimbursement Claim Review Time (All submissions)

Time Period	Dec. 2024 – Mar. 2025	Mar. 2025 – June 2025	June 2025 – Sep. 2025.	Oct. 2025 – Dec. 2025.	Jan. 2026 – Mar. 2026
Average # of Days	27.65	13.59	23.26	14.51	14.35

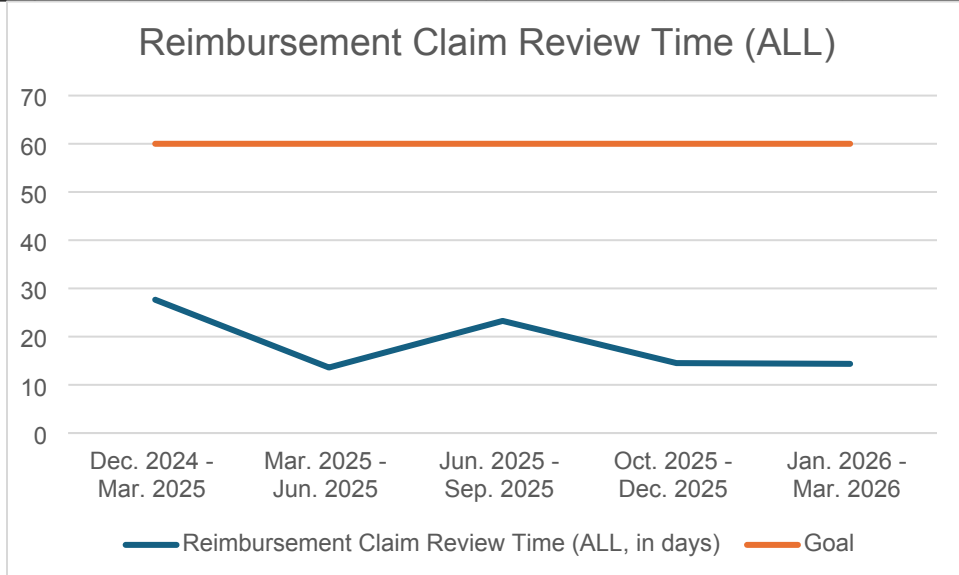
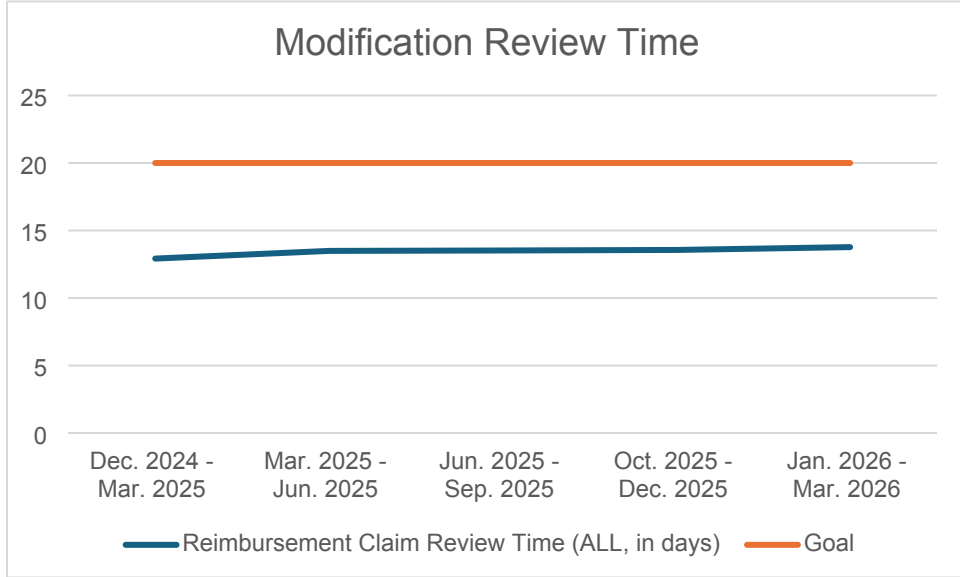


Exhibit 5: Modification Review Time (No RFIs)

Time Period	Dec. 2024 – Mar. 2025	Mar. 2025 – June 2025	June 2025 – Sep. 2025.	Oct. 2025 – Dec. 2025.	Jan. 2026 – Mar. 2026
Average # of Days	12.92	13.49	13.52	13.56	13.77



III. CONCLUSION

The Commission continues to work diligently to implement the Reimbursement Program in compliance with the Secure Networks Act and to protect the Reimbursement Program from waste, fraud, and abuse. When recipients submit their next status updates in June 2026 and September 2026, the Bureau anticipates it will have additional insight into how many recipients have completed their removal, replacement, and disposal plans and the overall status of the Reimbursement Program. The Bureau will update Congress on these points and continuing efforts by the Commission to implement the Reimbursement Program in its next report.