

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

In the Matter of	)	
	)	
Ensuring Children’s Safe Use of Screens and	)	WC Docket No. 26-133
E-Rate-Funded Services	)	
	)	
Modernizing the E-Rate Program for	)	WC Docket No. 13-184
Schools and Libraries	)	
	)	
Establishing the Emergency Connectivity Fund to	)	WC Docket No. 21-93
Close the Homework Gap	)	
	)	
Promoting Fair and Open Competitive Bidding in	)	WC Docket No. 21-455
the E-Rate Program	)	

**NOTICE OF PROPOSED RULEMAKING AND FURTHER NOTICE OF PROPOSED
RULEMAKING**

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By the Commission: Chairman Carr and Commissioners Gomez and Trusty issuing separate statements.

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I. INTRODUCTION

1. Recognizing the increased use of the Internet and connected devices by children, including in educational settings, and rising concerns about the impact of screen time for children, the Federal Communications Commission (FCC or Commission) remains committed to ensuring E-Rate-funded networks and services are being used responsibly and for an educational purpose, as statutorily required. Nearly three decades after Congress established the E-Rate program to expand access to advanced telecommunications and information services for schools and libraries, broadband connectivity rates have expanded in these institutions. Accordingly, in this Notice of Proposed Rulemaking (NPRM), we seek comment not only on how to ensure E-Rate-funded services are advancing educational outcomes and protecting children online, but also on whether the program should be narrowed or otherwise reoriented to reflect the extent to which its connectivity objectives have been achieved. We consider and seek comment on measures the Commission can take to empower parents, guardians, and teachers to ensure the E-Rate program advances student learning outcomes and remains consistent with the universal service principles established by Congress, and to better protect children when using E-Rate-funded networks, including to limit screen time. We further seek comment on whether our current interpretation of certain key language in the Children’s Internet Protection Act (CIPA) is the best reading of that statutory language. In addition, the Further Notice of Proposed Rulemaking (FNPRM) proposes actions to further strengthen E-Rate program integrity, including increasing oversight over consultants, streamlining program administration, and sunseting rules for the Emergency Connectivity Fund (ECF) program.

II. BACKGROUND

2. *The E-Rate Program.* Under the E-Rate program, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for discounted eligible telecommunications, Internet access, and internal connections services.¹ Eligible services are divided into “category one” services (which provide connectivity, including broadband connectivity, to eligible locations) and “category two” services (which provide connectivity *within* eligible locations).² Category one services generally include data transmission and Internet access services, while category two services include internal connections (e.g., wireless access points, routers, switches), managed internal broadband services (e.g., managed Wi-Fi), and basic maintenance of internal connections.³

3. Section 254(h)(1)(B) of the Communications Act of 1934, as amended, (Communications Act) provides that discounts be applied to services provided to eligible schools and libraries for “educational purposes.”⁴ As a result, the E-Rate program rules require schools and libraries to use eligible services “primarily for educational purposes.”⁵ In the case of schools, “educational purposes” is

¹ 47 CFR §§ 54.501-54.503.

² See 47 CFR §§ 54.501, 54.502.

³ 47 CFR § 54.502(a)(1)-(2).

⁴ 47 U.S.C. § 254(h)(1)(B).

⁵ 47 CFR §§ 54.503(c)(2)(ii)(A), 54.504(a)(1)(v); see *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Sixth Report and Order, 25 FCC Rcd 18762, 18774, para. 22 (2010) (*Schools and Libraries Sixth Report and Order*) (amending the rules to require that services be used *primarily* for educational purposes and

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defined as “activities that are integral, immediate, and proximate to the education of students.”⁶ In the case of libraries, “educational purposes” is defined as activities that are “integral, immediate, and proximate to the provision of library services to library patrons.”⁷

4. *Children’s Internet Protection Act (CIPA)*. Codified in sections 254(h)(5)-(6) and (I) of the Communications Act, CIPA requires a school or library receiving E-Rate support for Internet access, Internet service, or internal connections to comply with and certify its compliance with specific Internet safety requirements for “its” computers.⁸ Specifically, CIPA requires each covered school and library to certify that the school or library is: (1) “enforcing a policy of Internet safety that includes the operation of a technology protection measure with respect to any of its computers with Internet access that protects against access [by both adults and minors] through such computers” to visual depictions that are (i) obscene, (ii) child pornography, or, (iii) with respect to use of the computers by minors, harmful to minors; (2) “enforcing the operation of such technology protection measure during any use of such computers” by minors and adults; and (3) providing reasonable public notice and holding at least one public hearing or meeting before adopting its proposed Internet safety policy.⁹ When adopting and implementing an Internet safety policy, the policy must address: (i) access by minors to inappropriate matter on the Internet and World Wide Web; (ii) the safety and security of minors when using electronic mail, chat rooms, and other forms of direct electronic communications; (iii) unauthorized access, including so-called “hacking,” and other unlawful activities by minors online; (iv) unauthorized disclosure, use, and dissemination of personal information regarding minors; and (v) measures designed to restrict minors’ access to materials harmful to minors.¹⁰ Additionally, schools, but not libraries, must monitor the online activities of minors and provide education about appropriate online behavior, including warnings against cyberbullying.¹¹

5. *Children’s Current Digital Media Use*. Digital media use by children in the United States has evolved to include younger audiences and increased screen time by children of all ages.¹² The

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explaining that “[t]o primarily use services supported by E-[R]ate, E-[R]ate recipients must ensure that students always get first priority in use of the schools’ resources”).

⁶ 47 CFR § 54.500 (defining “educational purposes”); *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202, 9208, para. 17 (2003) (*Schools and Libraries Second Report and Order*) (clarifying the meaning of educational purposes).

⁷ 47 CFR § 54.500; *Schools and Libraries Second Report and Order*, 18 FCC Rcd at 9208, para. 17.

⁸ Congress passed CIPA as part of a major spending bill in December 2000, and the President signed the bill into law on December 21, 2000. Children’s Internet Protection Act, H.R. 4577, Pub. L. No. 106-554, 106th Cong., tit. XVII, § 1701-1703, 1711-1712, 1721 (2000) (enacted), available at <https://www.congress.gov/106/plaws/publ554/PLAW-106publ554.pdf>; 47 U.S.C. § 254(h)(5)-(6) and (I).

⁹ 47 U.S.C. § 254(h)(5)(A)-(C), (6)(A)-(C), and (I); 47 CFR § 54.520(c)(1)(i), (c)(2)(i); see also *Federal-State Joint Board on Universal Service*; *Children’s Internet Protection Act*, CC Docket No. 96-45, Report and Order, 16 FCC Rcd 8182, 8184, n.5 (2001); *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for Our Future*, CC Docket No. 02-6, GN Docket No. 09-51, Report and Order, 26 FCC Rcd 11819, 11829, para. 23 (2011) (*2011 CIPA Order*).

¹⁰ 47 U.S.C. § 254(I)(1)(A); 47 CFR § 54.520(c)(1)(ii), (2)(ii).

¹¹ *2011 CIPA Order*, 26 FCC Rcd at 11821, para. 5.

¹² See generally U.S. Dept of Health and Hum. Services, Off. of the Surgeon General, *Surgeon General’s Warning on the Harms of Screen Use, An Advisory and Toolkit on How to Protect Children and Adolescents* (2026), <https://www.hhs.gov/sites/default/files/us-surgeon-generals-advisory-warning-on-the-harms-of-screen-use.pdf> (Surgeon General Screen Advisory); see also *infra* nn.13, 28-33. This NPRM refers primarily to screen time as it relates to computers, tablets, smartphones, smartboards, and other types of devices connected to the Internet and used at a school or library. We recognize that there are other forms of screen time such as TV, gaming devices,

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sheer number of children using digital media has rapidly grown over the last 10 to 15 years, with the majority of parents reporting that their children use tablets and smartphones.¹³ Digital media adoption by teachers has also surged, particularly since the COVID-19 pandemic, as demonstrated by the majority of American public schools maintaining a 1:1 device environment, where they provide a device to each student.¹⁴ Research suggests that heightened screen time may be related to negative outcomes among children, including declines in academic performance, language development, cognitive and social development, and mental health.¹⁵ Studies suggest that reading comprehension is often weaker on screens than on paper, especially for complex material and younger learners.¹⁶ Further, in many classroom settings, screens can introduce additional stimuli that may divide attention, reduce retention, and encourage shallow processing rather than deep comprehension.¹⁷ Indeed, analyses from the Organisation for Economic Co-operation and Development (OECD) show that greater classroom device use is

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smartwatches, voice activated assistants, and artificial intelligence chatbots that are incorporated into the research and statistics discussed herein, but clarify that those forms of screen time are not the focus of this NPRM.

¹³ American College of Pediatricians, *Media Use and Screen Time – Its Impact on Children, Adolescents, and Families* (May 2020), <https://acpeds.org/wp-content/uploads/2025/09/Media-Use-and-Screen-Time-May-2020.pdf> (reporting that children and adolescents’ use of media greatly increased in the five to ten years preceding the report); Colleen McClain et al., *How Parents Manage Screen Time for Kids* (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-manage-screen-time-for-kids/> (reporting that 68% of parents of children 12 years and under stated that their child uses a tablet and 61% use a smartphone); Colleen McClain et al., *How Parents Describe Their Kids’ Tech Use* (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-describe-their-kids-tech-use/> (noting that about three in ten parents say they have a child under two that uses a tablet and about a quarter of parents with children under the age of 12 report that the child has their own smartphone); Common Sense Media, *Media Use by Kids Zero to Eight* (2025), <https://www.common Sense Media.org/sites/default/files/research/report/2025-common-sense-census-web-2.pdf> (reporting that overall, 47% of children age eight and younger have their own tablet and 9% have their own cellphone).

¹⁴ Julia Gilban-Cohen, *Schools Turn to Tablets, Student Help to Sustain 1:1 Programs* (Aug. 21, 2025), <https://www.govtech.com/education/k-12/schools-turn-to-tablets-student-help-to-sustain-1-1-programs> (“□Since the pandemic, we’ve seen a tremendous increase in the number of classrooms that are 1:1,” [Keith Krueger, CEO of Consortium for School Networking] said. “High school and middle school are basically at about 90 percent of classrooms having a 1:1 environment. Grades three to five are at about 86 percent, and even at the [kindergarten through second grade] level, we see a pretty high level of 76 percent.”); see also Jackie Mader, *iPads in Kindergarten, YouTube on Breaks: The School Screen-Time Battle* (Mar. 10, 2026), <https://www.nytimes.com/2026/03/10/nyregion/students-school-screen-time-parents-concern.html> (“Elementary schools and districts that ramped up their use of technology during the coronavirus pandemic have largely maintained those practices.”).

¹⁵ See, e.g., Jean M. Twenge, *International Declines in Academic Performance and Increases in Loneliness Are Linked to Electronic Devices*, 98 J. of Adolesc. 250 (2026); Roberta Pires Vasconcellos, *Electronic Screen Use and Children’s Socioemotional Problems: A Systematic Review and Meta-Analysis of Longitudinal Studies*, 151 Psychol. Bull. 513 (2025), <https://www.apa.org/pubs/journals/releases/bul-bul0000468.pdf>; Benjamin Zablotzky et al., *Associations Between Screen Time Use and Health Outcomes Among US Teenagers*, 22 Preventing Chronic Disease E38 (2025), https://www.cdc.gov/pcd/issues/2025/pdf/24_0537.pdf; American Academy of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx.

¹⁶ Pablo Delgado, et al. *Don’t Throw Away Your Printed Books: A Meta-analysis on the Effects of Reading Media on Reading Comprehension*, 25 Educ. Rsch Rev., 23 (2018), <https://www.sciencedirect.com/science/article/pii/S1747938X18300101?via%3Dihub>.

¹⁷ Horvath, J. C., *The Digital Delusion*, LME Global Press (2026).

associated with weaker performance in math, even after accounting for socioeconomic factors.¹⁸ In addition, research indicates that children are using their smartphones during school hours for non-educational purposes, sometimes for more than an hour a day.¹⁹ While some experts have asserted that screen time associated with high-quality, developmentally appropriate educational content may have benefits in some contexts,²⁰ including potentially improving language,²¹ reading,²² and learning skills,²³

¹⁸ OECD, *Managing Screen Time: How to Protect and Equip Students Against Distraction* at 1 (2024), https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/05/managing-screen-time_023f2390/7c225af4-en.pdf (finding that students who spent 5-7 hours per day on devices at school scored an average of 12 points lower on math than students who spent 3-5 hours per day).

¹⁹ Sharon Lurye, *Some Parents Don't Want Their Kids to Use Tech at School. But Districts are Pushing Back*. (May 14, 2026), <https://apnews.com/article/edtech-philly-classroom-technology-computer-phone-screens-6aab2bac1d66df1863509b5d5c74fe12> (sharing one student's experience of having difficulty focusing and watching Netflix in class on her school laptop); Claire Cain Miller and Sarah Mervosh, *How Much Screen Time Is Your Child Getting at School? We asked 350 Teachers* (Nov. 12, 2025), <https://www.nytimes.com/2025/11/12/upshot/teachers-survey-chromebooks-class.html> (stating that teachers surveyed reported students using devices in class for "nonschool activities" like playing games, searching online, watching videos, chatting with friends, A.I., shopping online, and using social media); Common Sense Media, *Constant Companion: A Week in the Life of a Young Person's Smartphone Use* (2023), https://www.commonsensemedia.org/sites/default/files/research/report/2023-cs-smartphone-research-report_final-for-web.pdf (reporting that 97% of the 11- to 17-year-old study participants used their phones during school hours for non-educational purposes, with times ranging from less than one minute to six and a half hours and a median time of 43 minutes).

²⁰ Tiffany Munzer et al., *Digital Ecosystems, Children, and Adolescents: Policy Statement* (2026), <https://publications.aap.org/pediatrics/article/157/2/e2025075320/206129/Digital-Ecosystems-Children-and-Adolescents-Policy> (American Academy of Pediatrics Policy) (explaining that child-centered designs that respect privacy, agency, and encourage critical thinking, age-appropriate content, and social connection can offer benefits); Children's Hospital of Orange County, *The Effects of Screen Time on Children: The Latest Research Parents Should Know* (Aug. 27, 2024), <https://health.choc.org/the-effects-of-screen-time-on-children-the-latest-research-parents-should-know/> (finding that screen time can help a child learn certain skills and may actually help improve a child's mental health). *Accord* Letter from AASA, the School Superintendents Association, et al., to Senators Ted Cruz and Maria Cantwell, U.S. Senate Committee on Commerce, Science, and Transportation (Jan. 13, 2026), <https://www.cosn.org/wp-content/uploads/2026/01/Senate-Commerce-Hearing-Letter-2.pdf> (asserting that properly-used classroom technology can make the curriculum accessible for students with special education needs, prepare students for the workforce, and "is fundamentally different from a student's unsupervised or entertainment-based devices"). *But see* Surgeon General Screen Advisory at 11, <https://www.hhs.gov/sites/default/files/us-surgeon-generals-advisory-warning-on-the-harms-of-screen-use.pdf> (noting that screen time is most likely to be harmful to children and adolescents when it is designed to increase use, promotes risky behaviors, facilitates unwanted contact by strangers, is hosted on platforms that track and collect user data, and uses deceptive patterns).

²¹ Tiffany Munzer et al., *Digital Ecosystems, Children, and Adolescents: Policy Statement* (Jan. 20, 2026), <https://publications.aap.org/pediatrics/article/157/2/e2025075320/206129/Digital-Ecosystems-Children-and-Adolescents-Policy> (American Academy of Pediatrics Policy) (clarifying that "[c]hild-centered design can support language, cognition, and social-emotional development"); Children's Hospital of Orange County, *The Effects of Screen Time on Children: The Latest Research Parents Should Know* (Aug. 27, 2024), <https://health.choc.org/the-effects-of-screen-time-on-children-the-latest-research-parents-should-know/> (sharing that at about 17 months, children spending time with educational content with an adult present can actually help with vocabulary development); Sheri Madigan et al., *Associations Between Screen Use and Child Language Skills: A Systematic Review and Meta-analysis*, 174 JAMA Pediatrics 665 (2020), <https://jamanetwork.com/journals/jamapediatrics/fullarticle/2762864> (associating greater quantity of screen use with lower language skills in children).

²² Sudheer Muppalla et al., *Effects of Excessive Screen Time on Child Development: An Updated Review and Strategies for Management* (June 18, 2023), <https://pmc.ncbi.nlm.nih.gov/articles/PMC10353947/pdf/cureus-0015-00000040608.pdf> (explaining that research has suggested that electronic books and learning-to-read applications have the potential to improve the reading skills and creative thinking capacities of young children).

those beneficial effects are dependent on child development,²⁴ the overall quality of the content,²⁵ and whether screen use is supervised by and viewed with an adult parent or guardian.²⁶ Further, it is notable that as screen use has risen in U.S. classrooms, reading and math skills have declined.²⁷ It is not uncommon today for children as young as four months to engage with screens.²⁸ Generally speaking, the

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²³ Tiffany Munzer et al., *Digital Ecosystems, Children, and Adolescents: Policy Statement* (Jan. 20, 2026), <https://publications.aap.org/pediatrics/article/157/2/e2025075320/206129/Digital-Ecosystems-Children-and-Adolescents-Policy> (American Academy of Pediatrics Policy) (acknowledging that when the digital ecosystem is designed with children's unique developmental needs in mind, it can support learning and well-being).

²⁴ See, e.g., Subhranshu Sekhar Kar et al., *Impact of Screen Time on Development of Children*, 12 Children 1297 (2025) (describing the effects of screen time on social and emotional development in five separate categories, including explaining how social isolation and screen time can impede the development of children's social and interpersonal skills); Shari Madigan et al., *Association Between Screen Time and Children's Performance on Development Screening Test*, 173 JAMA Pediatric 244-250 (2019), <https://jamanetwork.com/journals/jamapediatrics/fullarticle/2722666> (explaining that screen time and development screening tests are impacted by a number of factors including family income, maternal depression, child sleep, child being read to regularly, and the child being female).

²⁵ See, e.g., Subhranshu Sekhar Kar et al., *Impact of Screen Time on Development of Children*, 12 Children 1297 (2025) (explaining that "[i]nteractive apps that focus on storytelling, puzzles, or coding can enhance memory, cognitive flexibility, and attention span" but low-quality screen time may contribute to reduced attention span, difficulty focusing on sustained tasks, and deficits in executive functions such as planning, self-regulation, and delayed gratification); Taren Sanders et al., *Type of Screen Time Moderates Effects on Outcomes of 4013 Children: Evidence from the Longitudinal Study of Australian Children*, 16 Int'l J. Nutr. Phys. Act. 117 (2019), <https://pmc.ncbi.nlm.nih.gov/articles/PMC6884886/> (stating that educational screen time showed the most benefits with positive effects on the children's persistence and educational outcomes while passive screen time was associated with worse outcomes, poorer health outcomes, and lower educational outcomes).

²⁶ See, e.g., Subhranshu Sekhar Kar et al., *Impact of Screen Time on Development of Children*, 12 Children 1297 (2025) ("When caregivers participate by co-viewing, discussing content, or playing educational games, screen time becomes a more socially and cognitively enriching experience."); Tiffany Munzer et al., *Digital Ecosystems, Children, and Adolescents: Policy Statement* (Jan. 20, 2026), <https://publications.aap.org/pediatrics/article/157/2/e2025075320/206129/Digital-Ecosystems-Children-and-Adolescents-Policy> (American Academy of Pediatrics Policy) (observing that joint media engagement with caregivers is associated with greater child and teen learning); Children's Hospital of Orange County, *The Effects of Screen Time on Children: The Latest Research Parents Should Know* (Aug. 27, 2024), <https://health.choc.org/the-effects-of-screen-time-on-children-the-latest-research-parents-should-know/> (finding studies overall show an improvement in learning when there is a physical presence of adults in the room).

²⁷ See, e.g., National Assessment of Education Progress, *NAEP Report Card: Reading* (2024), https://www.nationsreportcard.gov/reports/reading/2024/g4_8/; National Center for Education Statistics, *Fast Facts, Long Term Trends in Reading and Mathematics Achievement*, <https://nces.ed.gov/fastfacts/display.asp?id=38> (last visited June 2, 2026); Xuedi Li et al., *Screen Time and Standardized Academic Achievement Tests in Elementary School*, 8 JAMA Netw. Open 10 (2025), <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2839927> (finding that higher parent-reported total screen times were associated with lower reading and math achievement on standardized tests in elementary school).

²⁸ Sudheer Muppalla et al., *Effects of Excessive Screen Time on Child Development: An Updated Review and Strategies for Management* (June 18, 2023), <https://pmc.ncbi.nlm.nih.gov/articles/PMC10353947/pdf/cureus-0015-00000040608.pdf> (observing that children currently engage with media at four months of age, as compared with four years of age in 1970); see also Common Sense Media, *Media Use By Kids Zero to Eight* (2025), <https://www.commonsensemedia.org/sites/default/files/research/report/2025-common-sense-census-web-2.pdf> (reporting that, among children ages zero to eight, 40% of them had their own tablet by age two); Children's Hospital of Chicago, *Screen Time Statistics Reveal How Parents Use Screens as Babysitters, Educators, and Entertainment Tools* (Oct. 30, 2025), <https://www.luriechildrens.org/en/blog/screen-time-2025/> (explaining that 19% of children under the age of 13 began using a screen at age one or younger); Pew Research Center, *How Parents Manage Screen Time for Kids* (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents->

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average daily screen use in 2024 for children under the age of two was about one hour per day; for children ages two to four it was about two hours per day; and for children ages five to eight it was about three and a half hours per day.²⁹ In 2024, preteen children ages eight to twelve reported spending about five and a half hours daily on screens, with teens spending an average of eight hours a day on screens.³⁰ In classrooms, more than half of children currently use a computer for one to four hours a day, with a quarter of them spending more than four hours on a screen during the school day.³¹ In contrast, experts recommend no screen time for children younger than 18-24 months; no more than one hour of screen time a day for children ages two to five; and a maximum of two hours a day for children five years and older.³² Additionally, data show that families with lower incomes are more likely to rely on screens than families with middle or upper levels of income³³ and, during the COVID-19 pandemic, researchers found that schools serving lower-income communities often relied more on screen-based learning and digital instruction compared to wealthier schools that prioritized lower-tech or screen-free environments through

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[manage-screen-time-for-kids/](#) (reporting that 38% of parents of children under the age of two say their child uses or interacts with a smartphone and 28% say their child uses or interacts with a tablet); Children's Hospital of Chicago, *Screen Time Statistics Reveal How Parents Use Screens as Babysitters, Educators, and Entertainment Tools* (Oct. 30, 2025), <https://www.luriechildrens.org/en/blog/screen-time-2025/> (reporting that 19% of parents say that their children began using screens at age one or younger); Jenny S. Radesky et al., *Increased Screen Time: Implications for Early Childhood Development and Behavior*, 63 *Pediatric Clin N. Am.* 827 (2016).

²⁹ Common Sense Media, *Media Use by Kids Zero to Eight* (2025), <https://www.common Sense Media.org/sites/default/files/research/report/2025-common-sense-census-web-2.pdf>.

³⁰ Children's Hospital of Orange County, *The Effects of Screen Time on Children: The Latest Research Parents Should Know* (Aug. 27, 2024), <https://health.choc.org/the-effects-of-screen-time-on-children-the-latest-research-parents-should-know/>; see also American Academy of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx ("On average, children age 8-18 in the United States spend 7 ½ hours a day watching or using screens."); Surgeon General Screen Advisory at 12, <https://www.hhs.gov/sites/default/files/us-surgeon-generals-advisory-warning-on-the-harms-of-screen-use.pdf> (providing a graph showing that average daily screen use increases as children age).

³¹ Emma Kate Fittes, *How Much Time Are Students Spending Using EdTech?* (Mar. 1, 2022), <https://marketbrief.edweek.org/meeting-district-needs/how-much-time-are-students-spending-using-ed-tech/2022/03> (reporting survey results that showed that 55% of teachers are dedicating between one and four hours a day to using educational technology tools).

³² American Academy of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx (making the following screen time recommendations: 18 months and under = only video chatting, with an adult; 18 to 24 months = educational programming with a caregiver; two to five years old = non-educational screen time limited to one hour per weekday and three hours on weekend days; six years and older = encourage healthy habits and limit screen activity); Press Release, Dep't of Educ., Dep't of Health and Social Care, Prime Minister's Office, *New Screen Time Guidance for Parents of Under-5s* (Mar. 26, 2026), <https://www.gov.uk/government/news/new-screen-time-guidance-for-parents-of-under-5s> (making the following recommendations: Under two – avoiding screen time other than shared activities that encourage interaction, bonding, and conversation; two to five year olds – try keeping it under one a hour a day).

³³ Pew Research Center, *How Parents Describe Their Kids' Tech Use* at 4 (2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-describe-their-kids-tech-use/> (observing that 31% of parents with lower incomes said their child has its own smartphone, whereas "20% of parents with middle incomes and 16% of parents with upper incomes said the same"); Common Sense Media, *Media Use by Kids Zero to Eight* (2025), <https://www.common Sense Media.org/sites/default/files/research/report/2025-common-sense-census-web-2.pdf> (reporting that "children from households earning less than \$50,000 per year spend twice as much time on screen media than those from households earning \$100,000 or more per year").

in-person instruction.³⁴ This trend often results in lower-income schools having higher levels of daily screen use and screen-based curricula.

6. Studies show that, overall, 84% of students' screen time on school-issued devices occurs during school hours.³⁵ While parents have the ability to supervise screen use and monitor Internet access at home, that control often does not extend to classrooms and library buildings. Steps taken by parents to curb screen time and block inappropriate or harmful content on home networks, computers, and devices may be negated once their child enters a school or library building.³⁶ Similarly, parents may have limited control over school-issued devices and school-provided networks,³⁷ with some parents saying they have no choice about whether their children are online because of the prominence of device and Internet use for education and homework assignments,³⁸ and others recognizing its potential educational benefits but fearing the safety and mental health consequences of its use for their children.³⁹ Some teachers have

³⁴ Jason DeParle, *Disadvantaged Students More Likely to Be Learning Remotely, Study Finds* (Dec. 24, 2020), <https://www.nytimes.com/2020/12/24/us/remote-learning-student-income.html>.

³⁵ Amy Bennett, *Breaking Down K-12 Screen Time: What Every Parent and School Leader Should Know* (Feb. 13, 2025), <https://www.lightspeedsystems.com/blog/breaking-down-k-12-screen-time-what-every-parent-and-school-leader-should-know/> (explaining that for students in grades one to four, over 88% of recorded screen time is in school but that percentage drops to 78-79% in high school).

³⁶ See e.g., Jackie Mader, *iPads in Kindergarten, YouTube on Breaks: The School Screen-Time Battle* (Mar. 10, 2026), <https://www.nytimes.com/2026/03/10/nyregion/students-school-screen-time-parents-concern.html> (sharing that parents are cutting back on screen time at home only to face increased screen time at their children's schools); FamilyBond, *FamilyBond Survey #1: What Age Should a Child Get Their First Phone & How They Are Bypassing Your Parental Controls* (2026), <https://familybond.io/what-age-should-a-child-get-their-first-phone/> (determining that, at 35.5%, school-issued devices are the number one bypass method for parental controls).

³⁷ See *Plugged Out: Examining the Impact of Technology on America's Youth: Hearing Before the S. Comm. On Com., Sci., and Transp.*, 119th Cong. 16 (2026) (Testimony of Jean M. Twenge, Ph.D), <https://www.commerce.senate.gov/services/files/EDA851D3-4D6B-4D2A-A099-DF3FA8B64D62> (explaining that school-issued laptops may allow access to streaming and other media that may result in students not focusing on homework) (Twenge Testimony); Elizabeth Heubeck, *"Addicted to Screens": Teachers Sound the Alarm on Their Youngest Students*, (Apr. 2, 2026), <https://www.edweek.org/teaching-learning/addicted-to-screens-teachers-sound-the-alarm-on-their-youngest-students/2026/04> (stating that the effects of extensive use of electronic devices are increasingly visible to teachers in the classroom and are heightening their concerns about student readiness for school); see also Comments to Kids Online Health and Safety Request for Comment, Nat'l Telecomm. & Info. Admin., Docket No. NTIA-2023-0008 (rec. Nov. 26, 2023) (NTIA received more than 150 comments from parents, guardians, educators, and experts around the country expressing concern that they lack the ability to reduce student screen time.).

³⁸ See Sharon Lurye, *Some Parents Don't Want Their Kids to Use Tech at School. But Districts are Pushing Back*, (May 14, 2016), <https://apnews.com/article/edtech-philly-classroom-technology-computer-phone-screens-6aab2bac1d66df1863509b5d5c74fe12> (sharing comments by parents that they were exhausted from battling their kids over screen time and one parent's frustration that attempts to curb his child's screen addition were undercut by the child's ability to watch YouTube on his school laptop); Colleen McClain et al., *How Parents Describe Their Kids' Tech Use* (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-describe-their-kids-tech-use/> (expressing a parent's preference that their child not be on the Internet at all and feeling of lack of control because the child is in middle school and homework assignments are online).

³⁹ Colleen McClain et al., *How Parents Describe Their Kids' Tech Use*, (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-describe-their-kids-tech-use/> (sharing a story of a parent of a three-year-old who realized that technology probably could be used as an educational tool but was hesitant to use it for fear of the consequences); see also Common Sense Media, *Media Use by Kids Zero to Eight* (2025), <https://www.common Sense Media.org/sites/default/files/research/report/2025-common-sense-census-web-2.pdf> (reporting that, among other things, 80% of parents of children ages zero to eight were concerned about their child spending too much time with screen media, 79% were concerned about its impact on attention spans, 76% were concerned about the amount of sexual content in screen media, 75% were concerned about the amount of

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noted similar fears and concerns about their personal lack of control over of screen time in their classrooms.⁴⁰ Given this, it is not surprising that parents identify technology as a primary source of stress in raising children today.⁴¹ These feelings of anxiety and lack of control have led parents across multiple states to call for cuts to screen time in schools, as well as the option to opt-out of classroom screen use, and to reduce time spent on school-provided networks and Internet;⁴² some school districts have begun removing devices and reducing screen time for younger children in response to these calls from parents.⁴³

7. *Current Legislative Proposals to Address Children's Technology Use.* A number of bills have been introduced in Congress that are aimed at curbing children's device and social media usage,⁴⁴

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violent content in screen media, 75% were concerned about screen media's impact on mental health, and 74% were concerned about cyberbullying).

⁴⁰ Hilary McQuilkin & Meghna Chakrabarti, *The Teachers Pushing Back on Screens in Schools* (Apr. 14, 2026), <https://www.wbur.org/onpoint/2026/04/14/the-teachers-pushing-back-on-screens-in-schools>; John Gonzalez, *Fairfax County Parents Push for Less Screen Time in Classrooms* (May 7, 2026), <https://wjla.com/news/local/fairfax-county-schools-classroom-screen-time-chromebook-student-devices-education-debate-technology-parents-concerns-virginia-digital-learning-distractions-tablet-impact-policy> (explaining that some teachers in a Virginia school district have concerns that “excessive screen-based learning can make it more difficult for students to stay engaged, focus in class, or follow multi-step directions without distraction”); *see also* Comments to Kids Online Health and Safety Request for Comment, Nat'l Telecomm. & Info. Admin., Docket No. NTIA-2023-0008 (NTIA received more than 150 comments from parents, guardians, and educators around the country concerned that they lack the ability to reduce student screen time.).

⁴¹ *See* Pew Research Center, *Parenting approaches and concerns related to digital devices* (July 28, 2020), <https://www.pewresearch.org/internet/2020/07/28/parenting-approaches-and-concerns-related-to-digital-devices/> (reporting that parents surveyed had concerns about the potential impact that digital devices may have on children and the responsibility of parents and guardians in protecting children from inappropriate content online); U.S. Dept. of Health and Human Services, Office of the Surgeon General, *Parental Mental Health & Well-Being*, <https://www.hhs.gov/surgeongeneral/reports-and-publications/parents/index.html> (last visited June 2, 2026) (citing technology and social media as a stressor reported by parents and caregivers in raising children); Pew Research Center, *How Parents Describe Their Kids' Tech Use*, (Oct. 8, 2025), <https://www.pewresearch.org/internet/2025/10/08/how-parents-describe-their-kids-tech-use/> (sharing that many parents think “parenting has gotten harder over the years, with technology being a key reason why”).

⁴² Natasha Singer, *In Backlash Against Tech in Schools, Parents Are Winning Rollbacks* (Apr. 29, 2026), <https://www.nytimes.com/2026/04/29/technology/parents-school-tech-backlash.html> (listing examples of parent-led initiatives to drive down student use of school-issued devices around the nation, including screen time limits); Education Magazine, *School Screen Time Limits Spark National Debate over EdTech in Classrooms* (Mar. 11, 2026), <https://www.theeducationmagazine.com/news/school-screen-time-limits/> (discussing the transition from “concerns raised in parent groups and school board meetings” to “public policy debates”).

⁴³ Jackie Mader, *iPads in Kindergarten, YouTube on Breaks: The School Screen-Time Battle* (Mar. 10, 2026), <https://www.nytimes.com/2026/03/10/nyregion/students-school-screen-time-parents-concern.html> (reporting that parents across the country are pushing schools to reevaluate the use of school-issued devices and school-provided network or Internet access services by seeking the removal of noneducational apps from student devices, a prohibition on social media access in classrooms, and limiting daily screen use by grade).

⁴⁴ Adam S. Sieff et al., *Wave of Federal “Online Safety” Legislation Hits Congress* (Jan. 23, 2026), <https://www.dwt.com/insights/2026/01/federal-online-safety-legislation-hits-congress> (relaying that the U.S. House of Representatives' Subcommittee on Commerce, Manufacturing, and Trade recently held a hearing on 19 new federal digital media bills); Sasha Pudelski, *The Advocate December 2025: Federal Policy Surge on Kids and Technology: What it Means for Schools* (Dec. 12, 2025), <https://www.aasa.org/resources/blog/the-advocate-december-2025--federal-policy-surge-on-kids-and-technology--what-it-means-for-schools> (explaining that in November 2025, the House Commerce Committee introduced 19 technology-related bills, many of which had direct implications for students and schools). In addition, 16 state legislators have introduced bills to limit education technology used in public schools. *See* Tyler Kingkade, *Ed Tech Industry Scrambles to Fight a Wave of Bills to*

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some of which directly apply to E-Rate-funded networks. For example, in 2023, Senators Ted Cruz, Ted Budd, and Shelley Moore Capito proposed the “Eyes on the Board Act” to require schools and school districts that participate in the E-Rate program to block social media access on subsidized services and networks, and to adopt policies to limit screen time in school.⁴⁵ These requirements would apply in addition to the Internet filters and online monitoring already required by CIPA to prevent students from accessing content that is obscene, child pornography, or harmful to minors. More recently, in 2025, Senators Ted Cruz and Brian Schatz introduced the “Kids Off Social Media Act” (KOSMA), which conditions the receipt of E-Rate funding on the enforcement of policies to prevent students from using E-Rate-funded networks to access social media.⁴⁶ In particular, KOSMA requires elementary and secondary schools to enforce a policy of preventing students from accessing social media platforms using any E-Rate-supported service or network, and it further requires the operation of a technology protection measure as contemplated by CIPA during the use of any such service, device, or network by a student.⁴⁷

8. Other legislation, not directly impacting E-Rate, includes updated versions of the “Kids Online Safety Act” (KOSA), introduced by Senators Marsha Blackburn and Richard Blumenthal, and a modernized “Children’s and Teens Online Privacy Protection Act” (commonly referred to as COPPA 2.0), reintroduced by Senators Ed Markey and Bill Cassidy. KOSA provides certain safeguards directly to a school when a platform it uses is under contract with the school and complies with the existing “Children’s Online Privacy Protection Act” of 1998 (COPPA) and the “Family Educational Rights and Privacy Act” (FERPA).⁴⁸ KOSA is directed at companies responsible for social media platforms and requires them to turn on privacy settings for minors by default.⁴⁹ COPPA 2.0 seeks to ensure greater protection for children and teenagers online by, among other things, banning targeted advertising to children and teens, establishing data minimization rules to prohibit the excessive collection of data by companies from children and teens, prohibiting Internet companies from collecting personal information from users who are 13 to 16 years old without their consent, and requiring companies to permit users to delete personal information collected from a child or teen.⁵⁰ It also revises the existing COPPA to raise the age range for online privacy protection from children under 13 to teens under 17.⁵¹ These federal proposals are in addition to a growing number of state laws restricting children’s device and social media access while at school.⁵² In early 2025, at least 11 states had imposed full or partial social media and cellphone bans in schools.⁵³ By fall 2025, that number had grown to over 30 states.⁵⁴

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Limit Screen Time in Schools (Mar. 10, 2026), <https://www.nbcnews.com/news/education/education-technology-industry-scrambles-bills-limit-screen-time-school-rcna261339>.

⁴⁵ Eyes on the Board Act, S. 3074, 118th Cong. (2023).

⁴⁶ Kids Off Social Media Act, S. 278, 119th Cong. (2025).

⁴⁷ *Id.*

⁴⁸ Kids Online Safety Act, S. 1748, 119th Cong. (2025).

⁴⁹ *Id.*

⁵⁰ Children and Teens’ Online Privacy Protection Act, S. 836, 119th Congress (2025). On March 5, 2026, COPPA 2.0 passed the U.S. Senate by unanimous consent. See Summary, Children and Teens’ Online Privacy Protection Act, S. 836, 119th Congress, available at <https://www.congress.gov/bill/119th-congress/senate-bill/836> (last visited June 2, 2026).

⁵¹ Children and Teens’ Online Privacy Protection Act, S. 836, 119th Cong. (2025).

⁵² National Conference of State Legislatures, *Social Media and Children 2025 Legislation* (Oct. 24, 2025), <https://www.ncsl.org/technology-and-communication/social-media-and-children-2025-legislation> (reporting that, as of October 2025, 45 states and Puerto Rico had introduced over 300 bills and resolutions to protect children while using the Internet and Internet-based forms of communication, including social media).

⁵³ Ashley De Mauro Mullins, *Focus in the Classroom: 11 States Limit Students’ Access to Social Media and Create Phone-Free Classrooms in 2024* (Jan. 7, 2025), <https://excellinedinaction.org/2025/01/07/focus-in-the-classroom-11->

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9. *Executive Branch Actions.* In December 2025, the National Telecommunications and Information Administration (NTIA) launched an initiative to examine the role of educational technology and screen use in K-12 schools, beginning with a listening session focused on “Kids’ Excessive Screen Use in Schools.”⁵⁵ The listening session highlighted concerns from parents, teachers, and researchers regarding the extent and effectiveness of screen-based instruction, as well as the need to ensure that federal connectivity policies do not inadvertently promote educational practices that may be at odds with student health and learning outcomes.⁵⁶

III. DISCUSSION

10. Mindful of the increased use of the Internet and connected devices by children in educational settings, and the concerns about the impact of screen time on children, the Commission seeks comment on ways it can affirm its commitment to ensuring E-Rate-funded networks are being used responsibly and consistently with the universal service principles set forth by Congress in section 254 of the Communications Act. Towards that end, and as discussed further below, we first seek comment on the Commission’s progress in ensuring affordable access to high-speed broadband to and within schools and libraries.

11. Recognizing the concerns of parents and guardians who have limited insight into their children’s screen time during school hours and teachers who may be concerned about the use of screens during school hours, we initiate this rulemaking to consider how we can empower parents, guardians, and teachers, and better protect children when using E-Rate-funded networks at a school or library. Specifically, we seek comment on whether the Commission’s current interpretation of certain key provisions of CIPA is the best reading of the statutory language and whether the existing implementation of CIPA requirements sufficiently protects children from inappropriate and harmful content when using school and library computers to access E-Rate-funded networks. We also seek comment on potential legal and policy considerations for assessing children’s screen time and protecting children and empowering parents, guardians, and teachers in decision-making involving children’s access to E-Rate-funded networks. Finally, we seek comment on additional actions we can take to further strengthen E-Rate program integrity, including increasing oversight over consultants, streamlining program administration, and sunseting certain rules from the ECF program.

A. Evaluating the Commission’s Progress in Ensuring Affordable Access to High-Speed Broadband to and within Schools and Libraries

12. As a threshold matter, section 254(h) of the Communications Act requires that “telecommunications carriers serving a geographic area shall, upon a bona fide request for any of its

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[states-limit-students-access-to-social-media-and-create-phone-free-classrooms-in-2024/](#) (listing the 11 states as California, Florida, Georgia, Idaho, Indiana, Louisiana, Minnesota, Ohio, Pennsylvania, South Carolina, and Virginia).

⁵⁴ Alyson Klein & Lauraine Langreo, *Should Schools Curtail the Use of Technology?* *Congress Fuels Debate* (Jan. 15, 2026), <https://www.edweek.org/technology/should-schools-curtail-the-use-of-technology-congress-fuels-debate/2026/01> (“[A]ccording to an Education Week tally, at least 33 states, the District of Columbia, and Department of Defense Dependents Schools now require schools to ban or restrict students’ use of cellphones in school buildings.”); Arthur Jones II & Aidan Gellert, *Here are the States Banning Cellphones in Schools and What it Means for Students* (Sept. 15, 2025), <https://abcnews.com/Politics/states-banning-cellphones-schools/story?id=125515186> (noting that 17 states have elected not to ban wireless communications devices in schools at the state level and 16 states have adopted a more relaxed approach).

⁵⁵ Nat’l Telecomm. & Info. Admin., *Kids’ Excessive Screen Time Listening Session* (Dec. 10, 2025), <https://www.ntia.gov/events-and-meetings/kids-excessive-screen-time-listening-session> (featuring multiple comments from parents and others raising concerns about the impact of excessive screen time in schools).

⁵⁶ *Id.*

services that are within the definition of universal service under subsection (c)(3), provide such services to elementary schools, secondary schools, and libraries for educational purposes at rates less than the amounts charged for similar services to other parties” and separately directs the Commission to “establish competitively neutral rules to enhance, to the extent technically feasible and economically reasonable, access to advanced telecommunications and information services for . . . school classrooms . . . and libraries.”⁵⁷ We are interested in understanding the E-Rate program’s progress in achieving this purpose and to what extent the E-Rate program should be reexamined in light of the current state of school and library connectivity and current demand for program funds.⁵⁸ When the E-Rate program was established pursuant to section 254(h) of the Communications Act, many schools and libraries lacked basic access to the Internet; today, however, some data sources state that virtually all schools report having broadband connectivity⁵⁹ and Wi-Fi.⁶⁰ In establishing the program in 1996, Congress was addressing a specific problem: limited access to advanced telecommunications and Internet services in schools and libraries.⁶¹ Given the substantial expansion of broadband access in schools and libraries over the last three decades, we seek comment on whether and to what extent the E-Rate program has fulfilled that mission and whether continued funding is consistent with Congress’s original objective. Has Congress’s directive in section 254(h) of the Communications Act been satisfied? Should the E-Rate program be limited or sunset to reflect today’s extensive connectivity rates? Does the Commission have the authority to limit or sunset the E-Rate program? At what point should policymakers conclude that the program’s core objective has been achieved? We seek comment on whether Congress intended E-Rate to operate indefinitely, regardless of the extent to which schools and libraries have achieved universal connectivity.⁶²

13. The E-Rate Advocates argue in an *ex parte* filing that, because section 254 of the Communications Act is a Congressional mandate, nothing in the statute empowers the Commission to terminate the E-Rate program—including after a certain period of time or upon certain benchmarks being met—and that the Commission should accordingly decline to seek comment on this question.⁶³ We seek

⁵⁷ 47 U.S.C. § 254(h)(2)(A) (directing the Commission to “establish competitively neutral rules to enhance, to the extent technically feasible and economically reasonable, access to advanced telecommunications services and information services for all public and nonprofit elementary and secondary school classrooms, health care providers, and libraries”).

⁵⁸ In the *2014 First E-Rate Order*, the Commission established three performance goals and measures for the program: (1) ensuring affordable access to high-speed broadband sufficient to support digital learning in schools and robust connectivity for all libraries; (2) maximizing the cost-effectiveness of spending for E-Rate supported purchases; and (3) making the E-Rate application process and other E-Rate processes fast, simple, and efficient. *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, 8880-8894, paras. 22-62 (2014) (*2014 First E-Rate Order*). To the extent commenters wish to comment on the extent to which the program has achieved the first goal established in the *2014 First E-Rate Order*, we invite commenters to do so as part of this proceeding.

⁵⁹ *See, e.g.*, EducationSuperHighway, *How We Closed the Classroom Connectivity Gap*, <https://www.educationsuperhighway.org/our-story/> (last visited June 2, 2026) (reporting that “99.3% of America’s schools have a high-speed broadband connection”); *Inquiry Concerning the Development of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, GN Docket No. 22-270, 2024 Section 706 Report, 39 FCC Rcd 3247, 3326 (2024) (explaining that according to the most recent comprehensive data available, 74% of schools districts met the short-term goal of 1 Gbps per 1,000 students).

⁶⁰ Emilie Munson, *Nearly Every Public School Classroom in New York Now Has Wi-Fi* (Dec. 17, 2023), <https://www.timesunion.com/state/article/nearly-every-public-school-classroom-new-york-now-18549530.php>.

⁶¹ S. Rep. No. 104-230, at 132-133 (1996) (Joint Explanatory Statement), <https://www.congress.gov/104/crpt/srpt230/CRPT-104srpt230.pdf>.

⁶² *Id.*

⁶³ Letter from Joseph Wender, Executive Director, Schools, Health & Libraries Broadband Coalition (SHLB), to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-133 et al., at 2 (filed June 16, 2026) (E-Rate Advocates *Ex Parte*). The E-Rate Advocates include SHLB; the American Library Association (ALA); the American Federation

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comment on this premise rather than assume it. Moreover, even assuming *arguendo* that the Commission lacks the authority to terminate the E-Rate program entirely, that does not by itself resolve whether the Commission’s current implementation of section 254(h) of the Communications Act goes beyond the discount mechanism Congress described.⁶⁴ We seek comment on whether an agency’s authority to reconsider and revise its own prior statutory interpretations—particularly interpretations that may not reflect the best reading of an ambiguous provision—extends to narrowing the scope of support previously extended under section 254(h), independent of whether the statute authorizes outright termination of the E-Rate program.⁶⁵

14. An *ex parte* filing by former FCC Commissioner Harold Furchtgott-Roth argues that the E-Rate program, as currently administered, departs from what section 254(h)(1)(B) of the Communications Act authorizes.⁶⁶ Specifically, the filing notes that universal service support is limited to entities designated as “eligible telecommunications carriers” under section 214(e), and argues that nothing in section 254(h) exempts support for schools and libraries from that limitation.⁶⁷ Consistent with that limitation, Furchtgott-Roth reads subsection (h)(1)(B) to contemplate that a telecommunications carrier extend a discount to an eligible school or library and then recoup it as an offset to its universal service contribution or as reimbursement from the support mechanism—not that the fund make payments directly to schools, libraries, and consortia, which is one of two invoicing methods currently allowed under program rules.⁶⁸ In addition, Furchtgott-Roth questions whether the statute supplies a basis for the Commission’s practice of varying discount levels according to criteria—such as National School Lunch Program eligibility and urban/rural status—that are not expressly identified in section 254 of the

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of School Administrators and the National Education Association; AASA, The School Superintendents Association; the State E-Rate Coordinators’ Alliance; and CoSN-The Consortium for School Networking.

⁶⁴ 47 U.S.C. § 254(h)(1)(B) (describing the discount that shall be provided to schools and libraries); *infra* para. 25.

⁶⁵ See *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024) (*Loper Bright*) (holding that only the “best reading” of a statute is permissible); see also, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Declaratory Ruling, 38 FCC Rcd 9943 (2023) (clarifying that the use of Wi-Fi, or other similar technologies that act as an access point, on school buses is an educational purpose as defined by E-Rate program rules and, therefore, the provision of such service is eligible for E-Rate funding) (*2023 School Bus Wi-Fi Declaratory Ruling*); *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31, Report and Order and Further Notice of Proposed Rulemaking, 39 FCC Rcd 8989 (2024) (*2024 Hotspots Order*) (making off-premises use of Wi-Fi hotspots and services eligible for E-Rate support); *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Declaratory Ruling, 40 FCC Rcd 7956 (2025) (*2025 School Bus Wi-Fi Declaratory Ruling*) (finding that the best reading of section 254 of the Communications Act is that the use and provision of Wi-Fi services on school buses does not serve an “educational purpose” as defined by E-Rate program rules and conflicts with the statute’s direction to enhance access to E-Rate eligible services for classrooms); *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31, Order on Reconsideration, 40 FCC Rcd 7932 (2025) (*2025 Hotspots Order on Reconsideration*) (granting a petition for reconsideration and finding that section 254 of the Communications Act does not permit the funding of off-premises use of Wi-Fi hotspots and Internet services).

⁶⁶ Letter from Harold Furchtgott-Roth, Senior Fellow, Center for the Economics of the Internet, Hudson Institute, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-133 et al., at 5-6 (filed June 18, 2026) (Furchtgott-Roth *Ex Parte*).

⁶⁷ *Id.* at 6.

⁶⁸ *Id.* at 5; see also 47 CFR § 54.514(c); *2014 First E-Rate Order*, 29 FCC Rcd at 8963-64, para. 233 (revising sections 54.504 and 54.514 of the Commission’s rules to allow an applicant that pays the full cost of the E-Rate supported services to a service provider to receive direct reimbursement from USAC beginning in funding year 2016, rather than requiring that E-Rate funds pass through the service provider to the applicant); USAC, *Step 6 Invoicing*, <https://www.usac.org/e-rate/applicant-process/invoicing/> (last visited June 22, 2026) (describing the two methods for invoicing in the E-Rate program).

Communications Act.⁶⁹ We seek comment on each of these points, and on the extent to which the expansion of eligible services and equipment over time to include items beyond discounted telecommunications services is supported by the text, structure, and history of section 254 of the Communications Act.⁷⁰ We also seek comment on whether the Commission's prior interpretations of section 254(h) warrant reconsideration in light of the statute's specific limitations on who may receive support, in what form, and for what services.⁷¹

15. The Furchtgott-Roth *ex parte* filing raises related questions about section 254(h)(2)(A) of the Communications Act, arguing first that nothing in section 254(h)(2)(A) displaces the limitation in section 254(e) restricting universal service support to entities designated as eligible telecommunications carriers under section 214(e), and that this limitation accordingly applies to support extended under section 254(h)(2)(A) just as it does elsewhere in the universal service framework.⁷² Second, the filing argues that a directive to establish “competitively neutral rules to enhance” access is not itself authorization to create a separate funding mechanism for schools and libraries.⁷³ Third, the filing argues that section 254(h)(2)(A) does not authorize direct support payments to schools, libraries, or other entities that are not eligible telecommunications carriers.⁷⁴ We seek comment on each of these points. To the extent the existing program may already exceed the narrower grant of authority in section 254(h)(2)(A), the Commission cannot resolve whether Congress has mandated the program's preservation in its current form without first developing a record on that question. We therefore decline to remove this inquiry from the NPRM.⁷⁵

16. We note that even the Commission's foundational expansion of E-Rate eligible services beyond discounted telecommunications services—to include Internet access and the installation and maintenance of internal connections—was sustained on judicial review under the deference framework set out in *Chevron, U.S.A., Inc. v. Natural Resources Defense Council, Inc.*⁷⁶ In *Texas Office of Public Utility Counsel v. FCC*,⁷⁷ the Fifth Circuit stated that the “best reading” of section 254 did not support the Commission's interpretation, but deferred to the Commission's interpretation after finding the statutory language ambiguous enough to satisfy *Chevron* step two. Given that *Loper Bright Enterprises v. Raimondo* has since eliminated the *Chevron* framework in favor of requiring courts to identify the single best reading of a statute, we seek comment on whether interpretations of section 254(h) that were sustained under *Chevron* deference are nevertheless consistent with the statute's text and structure, and whether the Commission should revisit them.

⁶⁹ Furchtgott-Roth *Ex Parte* at 4 (noting that that E-Rate program rules differ “based on the disadvantaged population of a school”).

⁷⁰ See, e.g., 47 U.S.C. § 254(h)(2) (directing the Commission to enhance “access to advanced telecommunications and information services”); *infra* paras. 22-23, 30.

⁷¹ See, e.g., *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776 (1997) (*Universal Service First Report and Order*), *aff'd in part, rev'd in part, remanded in part sub nom* (discussing, among other things, eligible services, adoption of discounts from 20 to 90 percent, the evolving level of telecommunications services, access to Internet services, the definition of universal service, affordability of services, and carriers eligible for universal service support).

⁷² Furchtgott-Roth *Ex Parte* at 5.

⁷³ *Id.* at 6.

⁷⁴ *Id.*

⁷⁵ See E-Rate Advocates *Ex Parte* at 2.

⁷⁶ *Chevron, U.S.A., Inc. v. NRDC*, 467 U.S. 837 (1984), *overruled by, Loper Bright Enterprises v. Raimondo*, 603 U.S. 369 (2024).

⁷⁷ See generally *Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393 (5th Cir. 1999), *cert. denied*, 530 U.S. 1210 (2000), *cert. dismissed*, 531 U.S. 975 (2000) (*TOPUC I*).

17. In addition, we seek comment on whether section 254(c)(1)'s direction to the Commission to define universal service "periodically" as "an evolving level of telecommunications services . . . taking into account advances in telecommunications and information technologies and services" is properly read to operate in only one direction.⁷⁸ It is not obvious that a definition the Commission must update as technology advances must only mean an expansion of eligible services and may not also include a narrowing of services eligible for support as connectivity increases and educational needs change. We seek comment on whether the substantial increase in school and library broadband connectivity discussed above bears on how the "evolving level" standard should be interpreted and applied today.⁷⁹

18. We next seek comment on the extent to which schools and libraries use E-Rate funds on a recurring basis to support broadband connectivity and Wi-Fi. What services are supported by E-Rate funding, and would there be an impact on schools' and libraries' ability to afford these services if the E-Rate program was terminated or limited? Would terminating or limiting the E-Rate program impact schools and libraries that currently receive support in other ways? For example, would it impact the Commission's ability to ensure children's online safety? How might the connectivity needs of schools and libraries change over the next five to ten years and should that be a factor for the Commission's consideration here? We seek comment on whether the E-Rate program should be updated to address these needs and, if so, how.

19. We also seek comment on how past E-Rate support or other broadband deployment funding could inform the future of E-Rate.⁸⁰ As the E-Rate program has worked to expand connectivity rates across schools and libraries, we note that demand for program funds has consistently fallen under the cap in recent years, while the program's annual funding cap has steadily increased to account for inflation each year consistent with the Commission's rules.⁸¹ We seek comment on the reason for program demand consistently falling below the program cap. Do schools and libraries have other connectivity needs outside of the current scope of the program? The E-Rate program supports both Internet connectivity *to* and *within* schools and libraries, with applicants requesting \$1.806 billion in funding year 2025 for category one services (i.e., connections to schools) and \$1.418 billion in funding year 2025 for category two services (e.g., internal connections, Wi-Fi, basic maintenance, managed internal broadband services).⁸² Since funding year 2016, special construction has been eligible for E-Rate funding in limited circumstances—namely, when it is the most cost-effective solution for providing the requested broadband services.⁸³ The E-Rate program has disbursed approximately \$136.6 million to

⁷⁸ 47 U.S.C. § 254(c)(1).

⁷⁹ *Id.*

⁸⁰ Letter from Staci L. Pies, Senior Vice President, Government Relations, INCOMPAS, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-133 et al., at 2 (filed June 18, 2026) (INCOMPAS *Ex Parte*).

⁸¹ See 47 CFR § 54.507(a)(1). For funding year 2026, the funding cap is \$5.2 billion, and demand is an estimated \$3.515 billion. See *Wireline Competition Bureau Announces E-Rate and RHC Programs' Inflation-Based Caps for Funding Year 2026*, CC Docket No. 02-6, WC Docket No. 02-60, Public Notice, DA 26-291 (WCB Mar. 25, 2026); Letter from Bernie Manns, Senior Director, Schools and Libraries Division, USAC, to Joseph Calascione, Chief, Wireline Competition Bureau, FCC, CC Docket No. 02-6 (Apr. 6, 2026), <https://www.fcc.gov/ecfs/filing/10406235945877>.

⁸² *Wireline Competition Bureau Directs USAC to Fully Fund Eligible Category One and Category Two E-Rate Requests*, CC Docket No. 02-6, Public Notice, 40 FCC Rcd 3190 (WCB 2025).

⁸³ *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket Nos. 13-184 and 20-90, Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15538, 15555, para. 43 (2014) (*2014 Second E-Rate Order*). Applicants seeking self-construction are required to demonstrate self-construction is the most cost-effective option after conducting competitive bidding. *Id.* at 15557-58, para. 48. Applicants must first seek bids for both services

(continued....)

support self-provisioned network construction since the Commission added it as an eligible service to the E-Rate program in funding year 2016.⁸⁴

20. In recent years, the federal government has provided billions of dollars of investment in other programs for expanding broadband access, including for schools and libraries.⁸⁵ Against this backdrop, we seek comment on whether the E-Rate program's current structure is consistent with section 254 of the Communications Act or, as discussed below, whether the program should be limited or otherwise restructured to reflect today's connectivity rates, reduce federal spending, and ensure that E-Rate funds are not used to subsidize potentially duplicative services or services beyond those authorized or envisioned by Congress in the 1996 Telecommunications Act. To the extent commenters believe the program should be updated in ways different than those specifically identified for comment below, they should explain in detail the practical effects of their recommendations, the specific rule changes needed to implement their proposals, and the Commission's legal authority under section 254 of the Communications Act to modify the program in the manner they contemplate consistent with and mindful of the principles of fiscal responsibility and statutory limitations.

21. We note that the scope of the services and equipment eligible for support within the E-Rate program has expanded significantly since its inception and evolved over time, and the program has been subject to recent criticism for such expansion.⁸⁶ For example, in 2023 and 2024, respectively, the Commission expanded E-Rate support to include Wi-Fi on school buses and hotspots for schoolchildren—uses that are inconsistent with the statute and were reversed in 2025.⁸⁷ We seek comment on whether similar expansions within the E-Rate program warrant reconsideration.⁸⁸ Are there services that are currently eligible for support that are no longer necessary or are inconsistent with the statute?⁸⁹ Specifically, are there any services or equipment that the program currently funds that do not ultimately transport information to school classrooms or libraries and, therefore, should be ineligible for

(Continued from previous page)

and construction and must demonstrate that construction is the most cost-effective option. *Id.* Second, the construction must be completed and used in the same funding year. *Id.* at 15558, para. 49.

⁸⁴ 2014 Second E-Rate Order, 29 FCC at 15555, para. 43 (“[W]e allow the self-construction option beginning in funding year 2016.”). From funding years 2016-2025, the E-Rate program has disbursed approximately \$136.6 million for self-provisioned network construction services. As such, self-provisioned network construction services represent 0.06% of disbursed E-Rate funding over this time period.

⁸⁵ The Broadband Equity Access and Deployment Program alone provided over \$42 billion in one-time support for network deployment. *See, e.g.*, Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021) (codified at 47 U.S.C. § 1705).

⁸⁶ *See, e.g.*, Letter from Sen. Ted Cruz and Chair Cathy McMorris Rodgers, to Anna Gomez, Commissioner, FCC (Sept. 26, 2023), <https://www.commerce.senate.gov/wp-content/uploads/media/doc/2023.09.26%20Sen.%20Cruz%20and%20Chair%20McMorris%20Rodgers%20Letter%20to%20FCC%20Commissioner%20Gomez%20re%20E-Rate.pdf>; *but cf* 2025 School Bus Wi-Fi Declaratory Ruling, 40 FCC Rcd 7956, 7965-67 (2025) (dissenting statement of Commissioner Anna M. Gomez); 2025 Hotspots Order on Reconsideration, 40 FCC Rcd 7932, 7950-52 (2025) (dissenting statement of Commissioner Anna M. Gomez).

⁸⁷ *See supra* note 65.

⁸⁸ We seek comment on Zayo's argument that a gradual transition is necessary if the Commission determines that previously supported services are no longer eligible for E-Rate support. Letter from Michael McKerley, President, Zayo Education, General Manager, Public Sector & Government Relations, Zayo, to Marlene H. Dortch, Secretary, FCC at 2 (filed June 16, 2026) (*Zayo Ex Parte*).

⁸⁹ *See, e.g.*, 2014 First E-Rate Order, 29 FCC Rcd at 8922-8928, paras. 135-143 (phasing down support for voice services and finding such services “not as essential as high-speed broadband is for meeting the educational needs of students and library patrons”).

E-Rate funding?⁹⁰

22. In addition, we seek comment on whether the expansion of E-Rate support adopted in the *2014 Second E-Rate Order* remains justified in light of today's school connectivity rates and the availability of other federal funding sources.⁹¹ We note those changes, which included cost-effectiveness requirements for special construction, were subject to significant legal and policy criticism at the time and have raised ongoing concerns about facilitating subsidized overbuilding and distorting competitive markets.⁹² Does continued support for self-provisioned network construction and dark fiber risk displacing private investment or wasting federal resources on duplicative infrastructure, particularly as programs such as the Broadband Equity, Access, and Deployment (BEAD) program administered by NTIA and established in 2021 are aimed at ensuring high-speed broadband availability in any remaining unserved and underserved areas, including for community anchor institutions? Should we require applicants and service providers to specifically disclose other funding sources to avoid duplication? Should funding for special construction be limited to those areas that are served by only one service provider? Should funding for special construction be eliminated entirely? Are there situations where special construction is necessary to ensure affordable school or library access to supported services with the necessary performance characteristics? Would any increase in E-Rate disbursements from funding services when special construction would be more cost-effective be outweighed by policy or legal benefits sufficient to justify the change? If we were to limit or eliminate funding for special construction, would additional Commission guidance or obligations related to the lowest corresponding price requirement be warranted,⁹³ particularly in any situations where only a single provider could provide the relevant service to a school or library receiving E-Rate support? We seek comment on these questions and whether BEAD and other similar sources of funding make it no longer necessary for the E-Rate program to continue to provide support for self-provisioned network construction, even in limited circumstances.

23. The Commission also previously established a legal presumption that activities that occur on library or school property serve an educational purpose and, therefore, are eligible for E-Rate funding.⁹⁴ We seek comment on whether this presumption should be reversed or otherwise altered and if so, why.

24. We also seek comment on the role and incentives of communications and educational technology vendors in the evolution and operation of the E-Rate program. We recognize that E-Rate-funded services are used within broader school and library technology ecosystems that may include non-E-Rate-funded equipment, devices, and services, including end-user devices, educational applications,

⁹⁰ See *2025 Hotspots Order on Reconsideration*, 40 FCC Rcd at 7939, para. 12 (noting that under the Commission's reading of section 254(h)(2)(A), E-Rate-funded services and equipment "must ultimately transport information to school classrooms").

⁹¹ See generally *2014 Second E-Rate Order*, 29 FCC Rcd 15538; see also dissenting statements raising scope/mission concerns by Commissioners Pai and O'Rielly; Dissenting Statement of Commissioner Harold Furchtgott-Roth, Fifth Order on Reconsideration and Fourth Report and Order, CC Docket No. 96-45 (June 22, 1998) (objecting that the order did not "accurately or even approximately reflect either the letter or the spirit of the law"); Dissenting Statement of Commissioner Harold Furchtgott-Roth Regarding the Federal-State Joint Board Report to Congress (Apr. 10, 1998); Press Statement of Commissioner Harold Furchtgott-Roth Regarding Universal Service (May 27, 1999) (objecting that schools and libraries program funding had grown to exceed funding for the high-cost program).

⁹² See, e.g., Letter from Michael O'Rielly, Commissioner, FCC, to Chris Hendersdon, CEO, USAC (Feb. 7, 2017), <https://docs.fcc.gov/public/attachments/DOC-343462A1.pdf>.

⁹³ 47 U.S.C. § 254(h)(1)(B) (requiring the provision of services to eligible schools and libraries "at rates less than the amounts charged for similar services to other parties").

⁹⁴ *Schools and Libraries Second Report and Order*, 18 FCC Rcd at 9208, para. 17.

and content that are offered by educational technology vendors, not typically provided by E-Rate service providers.⁹⁵ We seek comment on whether, and to what extent, the expansions and changes in the scope of the eligible services funded by the program and discussed above have been driven or influenced by vendor interests rather than the educational purpose requirement of the Communications Act. We also seek comment on the role of E-Rate funding within these technology ecosystems, and the degree of influence consultants and vendors may have on the services and equipment (both E-Rate eligible and non-E-Rate eligible) selected by schools and libraries. Specifically, do current program rules create incentives for vendors to promote particular technologies or deployment models that may increase reliance on subsidized services without corresponding improvements in educational outcomes?⁹⁶ As discussed below, we propose specific actions to strengthen oversight over consultants. Are there additional safeguards we should consider to limit undue vendor influence in procurement, and to better align the program with the interests of students and library patrons, rather than the commercial incentives of vendors and/or consultants? Does the E-Rate program advance any other objectives not otherwise discussed herein? For example, an executive order addressing Artificial Intelligence (AI) identifies as a goal to “invest in our educators and equip them with the tools and knowledge to not only train students about AI, but also to utilize AI in their classrooms to improve educational outcomes.”⁹⁷ Does the E-Rate program advance or otherwise impact that policy goal, and are there changes to the program that could make it more effective in that regard? What level of connectivity do schools and libraries need to utilize AI-enabled educational tools or other emerging technologies effectively? Do AI-enabled tools and services offer additional benefits beyond instructional applications to E-Rate-funded networks?

25. Since its inception, the E-Rate program has provided eligible schools and libraries discounts on the cost of eligible services ranging from 20% to 90%, with higher discounts provided to the most disadvantaged schools and libraries.⁹⁸ We seek comment on whether the use of the National School Lunch Program (NSLP) eligibility and urban/rural status in determining an applicant’s discount rate⁹⁹ remains an effective method for calculating support and ensuring that we are satisfying the universal service principles established by Congress in section 254 of the Communications Act. Does this general approach allocate funds fairly, efficiently, and achieve the objective of helping low-income and rural schools, or does a disproportionate share of funding flow to large, well-resourced school districts with substantial local tax bases? Additionally, we seek comment on whether adjustments to the current

⁹⁵ See *Schools and Libraries Universal Support Mechanism*, WC Docket 13-184, DA 25-1069, Funding Year 2026 Eligible Services List (ESL) at 13 (Dec. 17, 2025) (explaining that E-Rate does not provide support for end-user devices and other equipment such as computers, laptops, and tablets, and applications and content).

⁹⁶ But see 47 CFR § 54.503(a) (requiring all entities participating in the E-Rate program to conduct a fair and open competitive bidding process and noting certain activities or behaviors that would not result in a fair and open competitive bidding process, including, but not limited to: the applicant for supported services having a relationship with a service provider that would unfairly influence the outcome of a competition or would furnish the service provider with inside information; someone other than the applicant or an authorized representative of the applicant preparing, signing, and submitting the FCC Form 470 and certification; the service provider preparing the applicant's FCC Form 470 or participating in the bid evaluation or vendor selection process in any way; or the applicant turning over to a service provider the responsibility for ensuring a fair and open competitive bidding process); § 54.503(d) (prohibiting applicants from directly or indirectly soliciting or accepting any gift, gratuity, favor, entertainment, loan, or anything of value from a service provider participating in or seeking to participate in the program and prohibiting service providers from offering or providing the same); see also *Request for Review of Decisions of the Universal Service Administrator by Akisha Networks Inc.*, Order, CC Docket No. 02-6, 27 FCC Rcd 8294, 8295-8296, para. 2 (WCB 2012) (denying an E-Rate funding request after finding “[a] consultant, acting on behalf of the applicant, exerts great influence . . . and thus, should not have a financial relationship with a service provider which it selects (or recommends) on behalf of the applicant”).

⁹⁷ Proclamation No. 14409, 91 Fed. Reg. 34565 (June 5, 2026); see also *INCOMPAS Ex Parte* at 2-3.

⁹⁸ 47 CFR § 54.505(b).

⁹⁹ 47 CFR § 54.505(c).

discount rate system could better allocate the limited E-Rate funding. If so, what adjustments would be appropriate? Should the discount rate for rural schools and libraries be higher than the discount rate for urban schools and libraries? When the Commission created the E-Rate program, it recognized that schools and libraries in rural areas would likely face higher costs for E-Rate supported services.¹⁰⁰ The Commission has accounted for these additional costs by providing rural schools and libraries with higher discounts than their urban counterparts in the same discount tier. However, we now seek comment on whether to modify the discount rates in order to ensure applicants are incentivized to select the most cost-effective offerings to meet their needs. In making any such changes, we seek to ensure fiscal responsibility and maximize the efficiency of the program. We further seek comment on whether to phase out E-Rate funding for schools and libraries in areas with the lowest NSLP participation rates, given the likelihood of greater resources and tax bases. We seek comment on the Commission's authority to make such changes.

26. Relatedly, we note that although broadband prices have generally been decreasing,¹⁰¹ they are demonstrably higher in less competitive areas and those that lack competition entirely.¹⁰² Given increases in competition that may result from increased deployment by providers and federal funding programs,¹⁰³ to what extent is private deployment increasing the potential for competitive rates for schools and libraries? Have areas with increased competition due to increased deployment benefitted from lower costs? Are these costs low enough that E-Rate recipients no longer need support from the program? Because affordable access to, and use of, E-Rate supported services is a function of both service cost and ability to pay, are there ways to account for competitively-priced services under the E-Rate program? For example, could the Commission alter the discount levels within the existing discount matrix where rates are competitively priced, or would the matrix need to be modified in other ways, as well? How could the Commission identify when there is competition for the supported services to schools or libraries? We seek comment on whether E-Rate support should be limited to areas where applicants face the highest costs for E-Rate supported services. For example, should E-Rate support be limited to rural areas or to areas served by a single provider? E-Rate program rules currently increase the discount rate of rural applicants with discount rates below 80% by five to ten percentage points.¹⁰⁴ For example, a rural applicant with 45% of students eligible for NSLP would receive a discount rate of 70%, whereas an urban applicant with the same percentage of students eligible for NSLP would receive a discount rate of 60%. What would be the benefits and costs of such an approach? We seek comment on the Commission's authority to limit the program to rural areas or areas served by a single provider.

27. We further seek comment on whether section 254(b)(3)'s comparability principle—that consumers in all regions of the Nation should have access to services reasonably comparable to those available in urban areas—requires that the E-Rate discount mechanism operate identically in areas with robust broadband competition as in areas with little or none, or whether a more targeted approach would better serve the statute's stated purpose.¹⁰⁵ We are mindful that these are precisely the kind of statutory

¹⁰⁰ See *Universal Service First Report and Order*, 12 FCC Rcd at 9040-45, paras. 501-07; *TOPUC I*, (discussing the factors that influence the calculation of discount rates). *TOPUC I*, 183 F.3d at 445 (discussing the factors that influence the calculation of discount rates).

¹⁰¹ George S. Ford, *Are Broadband Prices Rising? The Perils of Naïve Price Comparisons* at 8 (2026), <https://phoenix-center.org/perspectives/Perspective26-02Final.pdf> (finding that consumer prices have declined by 8.4% from 2024 to 2025).

¹⁰² Tyler Cooper & Jason Shevik, *Broadband Market Concentration: A County-Level Analysis of U.S. ISP Competition* (Mar. 5, 2025), <https://broadbandnow.com/research/broadband-competitiveness> (finding that “broadband prices are significantly higher in less competitive markets” and “many rural counties face virtual monopolies in broadband service”).

¹⁰³ See *supra* paras. 20, 22, 26-27.

¹⁰⁴ 47 CFR § 54.505(c).

questions an NPRM record should be built to address, rather than questions resolved by assumption before comments are filed, and we accordingly decline to remove this inquiry as well.¹⁰⁶

28. In addition, we seek comment on the extent to which the E-Rate program has influenced educational practices and outcomes. Although neither Congress nor the Commission have established principles or specific goals for educational outcomes, we are interested in information regarding the impact of the E-Rate program on school technology choices.¹⁰⁷ In particular, is there evidence that schools or districts receiving higher levels of E-Rate funding—especially those qualifying for the highest discount rates—have greater reliance on 1:1 device initiatives, digital curricula, or other forms of screen-based instruction? Are higher levels of E-Rate support associated with improved educational outcomes, no measurable effect, or, conversely, poorer impacts on student achievement, literacy, and numeracy? We seek comment on whether Congress intended for the Commission’s decisions about the E-Rate program to be based, in whole or in part, on educational outcomes. If so, how should the Commission measure educational outcomes? Commenters are encouraged to provide empirical data, studies, or other evidence analyzing correlations or causation between E-Rate funding levels, instructional practices, and student outcomes, and to address how any such findings should inform the Commission’s evaluation of the program’s effectiveness and alignment with its statutory objectives.

B. Ensuring Children’s Safe Use of E-Rate-Funded Services

29. E-Rate applicants are required to certify that the services requested through the E-Rate program will be used primarily for educational purposes.¹⁰⁸ Like all of the applicants’ other certification requirements, this certification is intended to encourage accountability on the part of schools and libraries.¹⁰⁹ As schools and libraries integrate digital media into their curricula and catalogs, we seek comment on how to ensure that E-Rate-funded networks and services are being used for “educational purposes.”¹¹⁰ As noted herein, children’s screen time often exceeds the recommendations of experts and can include access to content that is not “integral, immediate, and proximate” to the education of students or the provision of library services.¹¹¹ For example, some suggest that screen time may be used in the classroom to calm or reward students.¹¹² Should these uses be considered “educational purposes” as contemplated by the Communications Act? If not, are E-Rate funded services still being used “primarily for educational purposes” and does that matter? How can E-Rate applicants ensure that use of E-Rate-funded networks is for an “educational purpose,” as contemplated by the statute? We also seek input about the measures schools and libraries are taking to limit screen time. What have been the costs of implementing existing measures to limit screen time and how are these costs likely to change with wider implementation? How should the Commission quantify the benefits of limiting screen time for children? In addition, we seek comment on whether there are differences between what qualifies as an educational purpose for a school versus a library.

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¹⁰⁵ 47 U.S.C. § 254(b)(3).

¹⁰⁶ See, e.g., E-Rate Advocates *Ex Parte* at 2; Letter from Richard E. Wiley and Edgar Class, Counsel for United Data Technologies, Inc., to Marlene H. Dortch, Secretary, FCC, at 1-2 (filed June 17, 2026) (UDT *Ex Parte*).

¹⁰⁷ See generally 2014 First E-Rate Order, 29 FCC Rcd 8870.

¹⁰⁸ 47 CFR § 54.504(a)(1)(v).

¹⁰⁹ Universal Service First Report and Order, 12 FCC Rcd at 9076, para. 540.

¹¹⁰ 47 U.S.C. § 254(h)(1)(B).

¹¹¹ See 47 CFR § 54.500 (defining “educational purposes”); see also *supra* para. 5.

¹¹² Lauraine Langreo & Alyson Klein, *How to Lessen Screen Time in Schools—and Make It More Effective* (Apr. 20, 2026), <https://www.edweek.org/technology/how-to-lesser-screen-time-in-schools-and-make-it-more-effective/2026/04> (explaining how one school district developed technology guidelines in coordination with parents and teachers, which prohibit “screens being used as a reward, time filler, or to calm a child down”).

30. As previously discussed, the E-Rate program provides funding for eligible equipment and services that support Internet connectivity both *to* and *within* schools and libraries.¹¹³ We seek comment on whether E-Rate funding should be conditioned on the imposition of screen time limits in schools and libraries and how such conditions would impact the underlying purpose of the E-Rate program. If E-Rate funding is conditioned on screen time limits, who is best situated to determine those conditions? Would it be the Commission or the school board, local educational agency, library, or other applicable authority, similar to the locality-based decisions made pursuant to CIPA?¹¹⁴ If it is not best situated to determine screen time limits, what would be the role of the Commission and what authority does it have to impose conditions around screen time?

31. In recent years, a growing number of parents across diverse school districts have sought the ability to opt their children out of routine or sustained screen-based instruction, reflecting concerns about excessive screen use, impacts on learning outcomes, and student well-being.¹¹⁵ In light of these developments, we seek comment on whether, and to what extent, we should require, as a condition of receiving E-Rate support, that participating schools provide parents with a meaningful opportunity to opt their children out of screen-based instruction or screen use during the school day. Would there be an impact on educational outcomes if schools allowed students and their parents or guardians to opt-out of screen-based learning in the classroom? What impact, if any, would an opt-out requirement have on classroom instruction? Would an opt-out requirement result in any additional administrative requirements or costs for schools and what would those costs be? The Commission also seeks comment on whether it has the legal authority under section 254 of the Communications Act or any other provision of law to adopt such a requirement, including any relevant limitations on conditioning E-Rate funding, and how such a requirement could be structured.

32. Recent guidance suggests that limiting screen time alone may be insufficient to prevent potential harm to children online.¹¹⁶ Are there other actions the Commission can take instead of, or in addition to, limiting screen time to better protect the online safety of children when using E-Rate-funded networks and services to ensure they are being used for an educational purpose? For example, should adult supervision be required, and how would schools implement such a policy given the “always on” nature of modern Wi-Fi networks? Should schools and libraries be required to implement methods for school- or library-staff, parents, guardians, and children to report inappropriate content to the school or library when using E-Rate-funded networks and services? Should these supervision and reporting requirements differ for schools versus libraries; if so, what is the Commission’s authority to implement and enforce separate requirements for schools and libraries? Should these supervision and reporting requirements apply whenever E-Rate-funded networks and services are being used, and apply as a

¹¹³ See *supra* para. 12.

¹¹⁴ See 47 U.S.C. § 254(l)(2) (providing that, under CIPA, the school board, local educational agency, library, or other authority is responsible for determining what content is “inappropriate for minors”).

¹¹⁵ Linda Jacobson, *Parents, Schools Clash Over Movement to Abolish Screens* (Apr. 16, 2026), <https://www.the74million.org/article/parents-schools-clash-over-movement-to-abolish-screens/>; see also Sharon Lurye, *Some Parents Don’t Want Their Kids to Use Tech at School. But Districts are Pushing Back*. (May 14, 2026), <https://apnews.com/article/edtech-philly-classroom-technology-computer-phone-screens-6aab2bac1d66df1863509b5d5c74fe12> (discussing a petition by 600 people in Philadelphia asking to preserve parents’ ability to opt their children out of digital device use during the school day but stating that the public school district has pushed back claiming that “it’s not feasible to let hundreds of students opt out of technology that is essential to the curriculum”).

¹¹⁶ See generally Tiffany Munzer et al., *Digital Ecosystems, Children, and Adolescents: Policy Statement* (2026), <https://publications.aap.org/pediatrics/article/157/2/e2025075320/206129/Digital-Ecosystems-Children-and-Adolescents-Policy> (American Academy of Pediatrics Policy) (discussing digital ecosystems for children and adolescents and determining that “‘media and children’ cannot be viewed solely through the lens of individual child behaviors or screen limits alone”).

condition of schools and libraries receiving E-Rate funding for which they must submit certifications? What is the Commission's authority to implement and enforce these types of supervision and reporting requirements?

33. We seek comment on whether Head Start and pre-kindergarten students should continue to receive E-Rate program support and whether schools should be required to cost-allocate and remove Head Start and pre-kindergarten students from their funding requests. At present, eligibility of Head Start and pre-kindergarten facilities and students varies based on state law. Currently, 29 states and territories include Head Start facilities and students and 34 states and territories include pre-kindergarten facilities and students in their definition of elementary education and elementary schools.¹¹⁷ In E-Rate funding year (FY) 2025, approximately \$15.5 million was committed to Head Start facilities and students, \$7.4 million of which has been disbursed to date.¹¹⁸ Also in FY 2025, \$43.9 million was committed to pre-kindergarten facilities and students, \$21.6 million of which has been disbursed to date.¹¹⁹ We seek comment on whether reducing support would be reasonable if the benefits to such students of limited access are low and the possibilities of harm are high. Since experts recommend that children under the age of five should limit Internet access to one hour per day or less, and are harmed if exposed to longer periods of use,¹²⁰ should schools that include Head Start and pre-kindergarten students and classrooms be required to cost-allocate and remove these students and classrooms from their E-Rate funding requests? Would limiting the eligibility of Head Start and pre-kindergarten facilities and students within the E-Rate program further protect young children? Should the cost-allocation for Head Start and pre-kindergarten facilities and students be limited to Internet access services or include all E-Rate eligible services? Alternatively, we seek comment on limiting the eligibility of Head Start and pre-kindergarten facilities and students to those that are part of a public school or public school district.¹²¹ First, we understand that many non-public entities that serve Head Start and pre-kindergarten students are not subject to state or local procurement requirements, which are required for public schools that serve these students.¹²² Second, we also believe that, based on past experience, such a limitation would help prevent waste, fraud, and abuse in the program.¹²³ For example, one daycare center in New York serving children ages two to

¹¹⁷ USAC, *Eligibility Table for Non-Traditional Education*, <https://www.usac.org/e-rate/applicant-process/before-you-begin/non-traditional-education-eligibility/eligibility-table-for-non-traditional-education/> (last visited June 2, 2026). Home-based pre-kindergarten or Head Start services or services to children under the age of three are not eligible for E-Rate support.

¹¹⁸ Letter from Tom Nesbitt, Director, Schools and Libraries Division, USAC, to Joseph Calascione, Chief, Wireline Competition Bureau, FCC, CC Docket No. 02-6 (June 2, 2026), <https://www.fcc.gov/ecfs/filing/10602178709176> (E-Rate Head Start and Pre-Kindergarten Letter). The invoicing filing deadline for E-Rate FY 2025 recurring services is October 28, 2026, and the deadline for E-Rate FY 2025 non-recurring services is January 28, 2027. See 47 CFR § 54.514 (2024).

¹¹⁹ E-Rate Head Start and Pre-Kindergarten Letter, <https://www.fcc.gov/ecfs/filing/10602178709176>. See *supra* note 118 regarding the invoice filing deadline for FY 2025 non-recurring services.

¹²⁰ See *supra* note 32.

¹²¹ The school district must also be located in a state or U.S. territory where Head Start and pre-kindergarten entities are included in the state's or territory's definition of elementary education and elementary school to be eligible for support. USAC, *Non-Traditional Education Eligibility*, <https://www.usac.org/e-rate/applicant-process/before-you-begin/non-traditional-education-eligibility/> (last visited June 2, 2026).

¹²² See, e.g., E&I Cooperative Services, *Education Purchasing Evolved: The Legal Framework of Cooperative Buying* (Aug. 30, 2024), <https://www.eandi.org/resources/ei-blog/legal-framework-cooperative-buying-education/> ("Private schools generally have more flexibility, as they are not typically bound by the same procurement restrictions as public institutions.").

¹²³ See, e.g., Annie Chestnut Tutor, "B" is for Broadband: The Alarming Cost of Subsidizing Internet Access for Preschools (Mar. 10, 2025), <https://www.heritage.org/big-tech/report/b-broadband-the-alarming-cost-subsidizing-internet-access-preschools>.

four years old received \$500,000 between FY 2009 and FY 2015 for services, including video conferencing and distance learning, that may not have served an educational purpose consistent with the Communications Act given the age of the children.¹²⁴ If eligibility were limited to public school district entities, the New York daycare center would have been ineligible to receive E-Rate program funding. We note that several states and territories, including American Samoa, Illinois, Kansas, Louisiana, Missouri, Montana, Pennsylvania, South Dakota, Texas, and the U.S. Virgin Islands, already limit the eligibility of pre-kindergarten and Head Start students and facilities to those that are part of a public school or public school district.¹²⁵ Would limiting the eligibility of pre-kindergarten and Head Start students to those that are part of a public school or public school district help address waste, fraud, and abuse in the program? Are there other ways to ensure E-Rate-funded networks and services accessed by pre-kindergarten and Head Start students are being appropriately used for educational purposes?

C. Re-examining the Children’s Internet Protection Act

34. Congress enacted CIPA to protect children from exposure to harmful material while they are at a school or library and accessing E-Rate-funded Internet.¹²⁶ CIPA requires schools and libraries “having computers with Internet access”¹²⁷ to certify that they are enforcing an Internet safety policy that includes the operation of a “technology protection measure” (e.g., a filter) with respect to any of “its computers” with Internet access and addresses certain Internet safety and education requirements for minors.¹²⁸ To ensure there is input from the local communities, including interested parents, guardians, and teachers, schools and libraries are also required to provide reasonable public notice and hold a public hearing or meeting to address the proposed Internet safety policy.¹²⁹ In view of the wider range of Internet-enabled devices made available to children today and the importance of ensuring that E-Rate-funded networks and services remain safe for use by children, we seek comment on whether our current interpretation of CIPA is the best reading of the statute.¹³⁰ We also seek comment on what other steps the Commission can take in these device-accessible environments to help prevent exposure to obscene material, child pornography, or other material deemed inappropriate or harmful for minors while accessing E-Rate-funded networks and services from a school or library receiving support for Internet access, Internet service, or internal connections, consistent with the language and purpose of CIPA.¹³¹

¹²⁴ Press Release, Dep’t of Just., Seven Defendants Sentenced for Defrauding Federal program that provided technology Funding for Rockland County Schools (Feb. 28, 2023), <https://www.justice.gov/usao-sdny/pr/seven-defendants-sentenced-defrauding-federal-program-provided-technology-funding> (explaining how the consultants and schools overbilled the E-Rate program, including a single daycare center seeking reimbursement for “video conferencing and distance learning, a ‘media master system,’ [and] sophisticated telecommunications systems supporting at least 23 lines”).

¹²⁵ See USAC, *Eligibility Table for Non-Traditional Education*, <https://www.usac.org/e-rate/applicant-process/before-you-begin/non-traditional-education-eligibility/eligibility-table-for-non-traditional-education/> (last visited June 2, 2026).

¹²⁶ See S. Rep. No. 106-141, at 1 (1999), <https://www.congress.gov/106/crpt/srpt141/CRPT-106srpt141.pdf> (“The purpose of the bill is to protect America’s children from exposure to obscene material, child pornography, or other material deemed inappropriate for minors while accessing the Internet from a school or library receiving Federal Universal Service assistance for provisions of Internet access, Internet service, or internal connection[s].”).

¹²⁷ 47 U.S.C. § 254(h)(5)(A)(i), (h)(6)(A)(i).

¹²⁸ 47 U.S.C. § 254(h)(5)(B)(i)-(ii) and (C)(i)-(ii), (h)(6)(B)(i)-(ii) and (C)(i)-(ii), and (f)(1)(A).

¹²⁹ 47 U.S.C. § 254(h)(5)(A)(iii), (6)(A)(iii).

¹³⁰ See generally *Loper Bright*, 603 U.S. 369 (holding that only the “best reading” of a statute is permissible).

¹³¹ Common Sense Media, *Teens and Pornography* at 15 (Jan. 10, 2023), <https://www.common Sense Media.org/sites/default/files/research/report/2022-teens-and-pornography-final-web.pdf>

35. The Commission currently interprets CIPA restrictions to apply only to the use of devices that are owned by schools or libraries (i.e., “its computers”) receiving E-Rate support for Internet access, Internet service, or internal connections.¹³² The Commission has previously sought comment on applying CIPA requirements at the network-level and/or to third-party-owned devices that connect to E-Rate supported service in certain contexts.¹³³ We seek comment on whether the phrases “having computers with Internet access” and “with respect to any of its computers with Internet access” and other similar language in the statute means that schools and libraries are required to comply with CIPA only with regard to those computers that they own or control. Does this interpretation fulfill the intended purpose of CIPA and is it consistent with the plain meaning of the statute? When CIPA was enacted in 2000, it was not common for third-party, Internet-capable devices to be brought into schools or libraries, and school- and library-owned devices were the default. Today, while many schools employ a 1:1 program to provide a device to each student, some schools permit third-party owned devices to connect to their networks and Internet. We seek comment on whether the text of the statute should be interpreted to mean that the level of protection provided to minors pursuant to CIPA differs depending on who owns the connecting device. Did Congress intend an arrangement under which a school- or library-provided device must protect minors but a third-party device connected to the same E-Rate supported network need not protect minors? Are the parents or guardians of children responsible for ensuring their third-party owned devices are protected when accessing the school’s or library’s network and services? Should schools or libraries prevent third-party owned devices from connecting to E-Rate-funded networks and services altogether? Should schools and libraries be evaluated differently on these questions based on the different populations they serve, or based on other criteria? Do schools and libraries have the technical capability to distinguish whether it is a school- or library-owned computer or a third-party owned device that is trying to connect to their networks? Do they have the technical capability to distinguish whether the user of a third-party device is an adult or a minor? What are those technical capabilities and how costly are they? Are those technical capabilities already eligible for funding through the E-Rate program or would they impose an additional cost on schools and libraries? What share of schools and libraries already impose restrictions on third-party devices? We seek to understand how schools and libraries would identify and prevent third-party owned devices from connecting to their networks and Internet access services and what the associated costs would be.

36. In the alternative, we seek comment on whether CIPA’s references to schools and libraries “with computers having Internet access” or “any of its computers with Internet access” should be interpreted more broadly to be focused on protecting children from harmful online content on any computer accessing the Internet through a school or library if the school or library receives E-Rate support for Internet access, Internet services, or internal connections.¹³⁴ If interpreted more broadly, should the Commission require compliance with respect to any device that is accessing the Internet through the school or library if the school or library receives E-Rate support for Internet access, Internet services, or internal connections, regardless of the ownership, or control of the device used to access the

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(reporting that teenagers surveyed reported seeing pornography during the school day and even from school-owned devices).

¹³² See *Establishing the Emergency Connectivity Fund to Close the Homework Gap*, WC Docket No. 21-93, Report and Order, 36 FCC Rcd 8696, 8746-49, paras. 108-113 (2021) (*Emergency Connectivity Fund Report and Order*) (concluding that CIPA applies to the use of any computers owned by a school or library if the school or library receives E-Rate or Emergency Connectivity Fund support for Internet access, Internet services, or internal connections, and does not apply to the use of third-party owned devices).

¹³³ See, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Notice of Proposed Rulemaking, 28 FCC Rcd 11304, 11330, para. 86 (2013); *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31, Notice of Proposed Rulemaking, 38 FCC Rcd 10726, 10755-56, paras. 55-56 (2023).

¹³⁴ See 47 U.S.C. § 254(h)(5), (6).

Internet? If so, how could schools and libraries comply with such an obligation with respect to devices that are not controlled by the institution? We also seek comment on whether we should amend the Commission's CIPA-related rules to reflect this reading of the statute, and if so, how we should amend them.¹³⁵

37. Relatedly, we seek comment on whether technology protection measures should be required to include filtering at the network level (i.e., applying the filter to any device that connects to the network) to ensure all devices that are used by minors and connect to E-Rate-funded networks are protected from content that is obscene, child pornography, or harmful to minors. Should such filtering include limits on screen time? As some recent studies suggest that excessive screen time can have a negative impact on children,¹³⁶ we seek input on whether the filtering mechanisms employed by schools or libraries currently include features for limiting screen time, who determines the screen time limits, and the extent to which such features are currently used. What burden does this place on schools and libraries? Does the impact differ based on the size and resources of the school or library? What are the costs associated with requiring filtering at the network level?

38. In response to Congress enacting CIPA, the Commission amended the E-Rate program rules in 2001 to adopt CIPA requirements, as set forth in section 54.520 of the Commission's rules.¹³⁷ In 2011, the Commission updated section 54.520(a) of its rules to codify numerous statutory definitions adopted from the 2008 Protecting Children in the 21st Century Act, including the terms "minor," "obscene," "child pornography," "harmful to minors," "sexual act," "sexual contact," and "technology protection measure."¹³⁸ Since then, stakeholders have requested further guidance on the meaning of certain terms within CIPA. For example, in 2022, the Center for Democracy & Technology requested that the Commission clarify a school's requirement to enforce an Internet safety policy that includes "monitoring the online activities of minors."¹³⁹ We seek comment on the meaning of "monitoring the online activities of minors" and how such monitoring should be used to advance the educational purposes of the E-Rate program. In their response, commenters should address any potential privacy concerns associated with monitoring the online activities of minors. Additionally, under section 254(l)(1)(iii) of the Communications Act, Internet safety policies must address "unauthorized access, including so-called 'hacking', and other unlawful activities by minors online."¹⁴⁰ We seek comment on the meaning of "unauthorized access" and whether it encompasses any material devoid of "educational purposes" (e.g.,

¹³⁵ See generally 47 CFR § 54.520.

¹³⁶ See e.g., Jean M. Twenge, *International Declines in Academic Performance and Increases in Loneliness Are Linked to Electronic Devices*, 98 J. of Adolesc. 250 (2026); Roberta Pires Vasconcellos, *Electronic Screen Use and Children's Socioemotional Problems: A Systematic Review and Meta-Analysis of Longitudinal Studies*, 151 Psych. Bull. 513 (2025), <https://www.apa.org/pubs/journals/releases/bul-bul0000468.pdf>; Benjamin Zablotsky et al., *Associations Between Screen Time Use and Health Outcomes Among US Teenagers*, 22 Preventing Chronic Disease E38 (2025), https://www.cdc.gov/pcd/issues/2025/pdf/24_0537.pdf; Am. Acad. of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx.

¹³⁷ See 47 CFR § 54.520(h).

¹³⁸ *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for Our Future*, CC Docket No. 02-6, GN Docket No. 09-51, Report and Order, 26 FCC Rcd 11819, 11824, para. 12 (2011); Protecting Children in the 21st Century Act, Pub. L. No. 110-385, Tit. II, 122 Stat. 4096 (2008).

¹³⁹ See Letter from Elizabeth Laird, Director, Equity in Civic Technology, and Cody Venzke, Senior Counsel, Equity in Civic Technology, Center for Democracy & Technology, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-93 et al. (filed June 7, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10607186828920> (CDT 2022 *Ex Parte*); see also 47 U.S.C. § 254(h)(5)(B)(i).

¹⁴⁰ 47 U.S.C. § 254(l)(1)(iii).

students scrolling through social media instead of doing online research) for E-Rate per section 254(h)(1)(B) of the Communications Act. For example, could “unauthorized access” mean that the student accessed a computer in excess of an Internet safety policy’s prescribed number of hours? Should the term “computer” be defined? Are there other provisions of CIPA that should be defined?

39. CIPA defines “harmful to minors” to mean: any picture, image, graphic image file, or other visual depiction that—(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion; (ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and (iii) taken as a whole, lacks serious literary, artistic, political, or scientific value as to minors.¹⁴¹ The Commission previously determined in 2011 that social networking websites are not *per se* “harmful to minors” under CIPA.¹⁴² Recognizing the statute’s emphasis on leaving the determination of what online content is inappropriate for minors to local school and library authorities, and acknowledging that declaring such networking sites to be categorically harmful to minors would be inconsistent with the Protecting Children in the 21st Century Act’s focus on “educating minors about appropriate online behavior,” the Commission concluded that CIPA does not require schools and libraries to block such sites in order to receive E-Rate funding.¹⁴³ In light of changes to the social media landscape since 2011 and more recent research on the impact of social media on children, should the Commission revisit that conclusion?¹⁴⁴

40. The Protecting Children in the 21st Century Act¹⁴⁵ also revised CIPA to require each elementary and secondary school to certify that, “as part of its Internet safety policy, [it] is educating minors about appropriate online behavior, including interacting with other individuals on social networking websites and in chat rooms and cyberbullying awareness and response.”¹⁴⁶ We seek comment on whether the Commission should define what is required of schools in implementing this requirement to educate minors about “appropriate online behavior.”¹⁴⁷ Should such education include learning about how and why to limit one’s own screen time? Studies suggest that expanding children’s digital literacy requirements helps students navigate the Internet responsibly.¹⁴⁸ However, digital literacy training need not be screen-based and may be more effective when taught in an analog environment.¹⁴⁹ Would

¹⁴¹ 47 U.S.C. § 254(h)(7)(G); 47 CFR 54.520(a)(4)(iv).

¹⁴² 2011 CIPA Order, 26 FCC Rcd at 11826, para. 17 (“Although it is possible that certain individual Facebook or MySpace pages could potentially contain material harmful to minors, we do not find that these websites are *per se* ‘harmful to minors’ or fall into one of the categories that schools and libraries must block.”).

¹⁴³ See *id.*, 26 FCC Rcd at 11826, para. 17.

¹⁴⁴ See *id.*

¹⁴⁵ Protecting Children in the 21st Century Act, Pub. L. No. 110-385, Tit. II, 122 Stat. 4096 (2008).

¹⁴⁶ 47 U.S.C. § 254(5)(B)(iii); 47 CFR § 54.520(c)(1)(i).

¹⁴⁷ The Bureau previously issued guidance on the requirement to educate minors about appropriate online behavior. See generally *Wireline Competition Bureau Provides Guidance for Schools Implementing the Protecting Children in the 21st Century Act*, CC Docket No. 02-6, GN Docket No. 09-51, Public Notice, 27 FCC Rcd 14157 (WCB 2012).

¹⁴⁸ Nat’l Conf. of State Legislatures, *Social Media and Children 2025 Legislation* (Oct. 24, 2025), <https://www.ncsl.org/technology-and-communication/social-media-and-children-2025-legislation>; Ashley De Mauro Mullins, *Focus in the Classroom: 11 States Limit Students’ Access to Social Media and Create Phone-Free Classrooms in 2024* (Jan. 7, 2025), <https://excellinedinaction.org/2025/01/07/focus-in-the-classroom-11-states-limit-students-access-to-social-media-and-create-phone-free-classrooms-in-2024/> (relaying the American Psychology Association’s recommendation to teach digital literacy skills to pre-teens and teens and suggesting policies that “provid[e] digital literacy education to help students navigate the online world responsibly”).

¹⁴⁹ See Testimony of Jean M. Twenge, Ph.D., <https://www.commerce.senate.gov/services/files/EDA851D3-4D6B-4D2A-A099-DF3FA8B64D62> (reporting that “[s]everal studies have found that reading on paper leads to significantly better reading comprehension than reading digitally” and citing, e.g., Salmerón, L., Vargas et al.,

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requiring minors to complete mandated digital and online media literacy courses potentially help reduce screen time and increase online safety for minors when using E-Rate-funded networks and services? If so, should minors be required to complete those courses prior to or simultaneously with the use of E-Rate-funded networks and services? How often should the courses be required? Who should be in charge of establishing the requirements for and content of such courses? Should the Commission, or the school board, local educational agency, library, or other agency be responsible for determining “appropriate online behavior” for the purposes of this education requirement? Should the content of the courses be structured to be age-specific? Should schools be required to produce documentation to the FCC demonstrating that children and minor students attended and completed the courses? If schools are required to produce such documentation, should the documentation be anonymized or reported based on the percentage of students who attended or completed the courses to protect any personally identifiable or sensitive information pertaining to minors?

41. Alternatively, should we consider refining any of the existing definitions in section 54.520(a) of the Commission’s rules? For example, we currently define “minor” as any individual under the age of 17.¹⁵⁰ We seek comment on whether we should also adopt a definition for “child” or use the COPPA definition of any individual under the age of 13 so that potential CIPA protections and requirements could be implemented based on the age of the child or minor impacted. Should the level of CIPA protection provided differ depending on the age or age ranges of a child or minor? Should there be heightened online safety requirements for younger children? If the Commission were to adopt rules for how children of different ages should or could be treated for the purposes of CIPA, are there any implementation challenges in defining differing age requirements? Should there be different requirements for schools versus libraries?

42. Given that under section 254(l) of the Communications Act, the school board, local educational agency, library, or other authority is responsible for determining what content is “inappropriate for minors,” we seek comment on whether additional protections are permitted under CIPA, such as limiting screen time.¹⁵¹ Are schools and libraries currently assessing student screen time on devices? If so, how are schools and libraries assessing screen time? Have schools and libraries that currently are assessing screen time found any benefits or harms that would inform the Commission’s policy? What filtering options are available to restrict screen time to only approved educational activities? What are the costs associated with applying any filtering options that limit screen time? Is it more important to limit the amount of screen time or limit the content available to ensure that E-Rate-funded services are used for educational purposes? Should screen time limits be different for schools and libraries? Would schools and libraries need to purchase additional software or have additional network support to implement screen time restrictions? What obligations could be imposed on schools and libraries under CIPA with respect to assessing screen time that uses E-Rate-funded networks and services? We also seek comment on whether excessive screen time or other aspects of Internet use not

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Relation between digital tool practices in the language arts classroom and reading comprehension scores, 36 Reading and Pablo Delgado (2023) and *Don’t throw away your printed books: A meta-analysis on the effects of reading media on reading comprehension*, 25 Educ. Res. Rev. 23 (2018)); see also, e.g., Nicole Krueger, *WHAT WORKS: Teaching digital citizenship without devices* (Dec. 15, 2017), <https://iste.org/blog/what-works-teaching-digital-citizenship-without-devices> (providing examples of instructional materials for children to learn how to communicate online); DigitalLearn.org, *Tools and Resources for Trainers*, <https://training.digitallearn.org/> (last visited June 2, 2026) (providing printable digital literacy resources). But cf., Department of Education, Final Priority and Definitions – Secretary’s Supplemental Priority and Definitions on Advancing Artificial Intelligence in Education, 91 Fed. Reg. 18774, 18775 (Apr. 13, 2026) (identifying the need to ensure the United States remains a global leader in Artificial Intelligence, “the Department must provide our Nation’s youth with opportunities to learn how to use AI technology effectively to enable them to be competitive in a rapidly evolving technical workforce”).

¹⁵⁰ 47 CFR § 54.520(a)(4)(i).

¹⁵¹ 47 U.S.C. § 254(l)(2).

tioned to specific content access limitations could be considered “inappropriate for minors” under CIPA, consistent with the statute and the First Amendment. Are local authorities making informed, affirmative decisions regarding what is inappropriate for minors? We seek comment on whether parents and guardians have any input in determining what is inappropriate for minors. Without establishing any criteria for or reviewing the determination of what is inappropriate for minors, is there a role for the Commission in providing guidance to schools and libraries, given its role in setting policy for the E-Rate program?

43. CIPA requires schools and libraries receiving E-Rate funding for Internet access, Internet service, or internal connections to adopt and implement an Internet safety policy that addresses certain requirements laid out in section 254(h) and (l) of the Communications Act and make such policies available to the Commission, upon request.¹⁵² We seek comment on what information and components an Internet safety policy should contain in order to comply with CIPA. Is there any minimum or mandatory information that an Internet safety policy should include? Under CIPA, does the Commission have the authority to invalidate or require the replacement of an Internet safety policy or is that authority reserved for the school board, local educational agency, library, or other authority under section 254(l) of the Communications Act? We also seek comment on whether the Commission should collect and retain each school’s and library’s Internet safety policy.¹⁵³ If we collect them, should these policies be made publicly available? Do the requirements set out in section 254(h)(5)(A)(iii) and (6)(A)(iii) of the Communications Act to provide public notice and hold a public hearing or meeting require that these Internet safety policies be made public in some form?¹⁵⁴ Will making the policies publicly available better inform the local communities, and the parents and guardians impacted by them? Will making the policies publicly available incentivize more or better participation in their construction by local communities, and the parents and guardians impacted by them? Should the final policies be able to be reviewed after adoption? If the policies are reviewed, how and by whom should they be reviewed?¹⁵⁵

44. Many schools and libraries model their Internet safety policies after or rely entirely on template policies created by other stakeholders.¹⁵⁶ We seek comment on the adequacy of these frequently used template policies, and whether they meet the minimum bar for the statutory requirements of CIPA. Do they meaningfully address the requirements laid out in section 254(l)(1) of the Communications Act or actually engage local communities in the adoption and implementation of such policies? We also understand that schools and libraries may have separate policies concerning Internet access and the acceptable use of the Internet.¹⁵⁷ How do these policies differ from the required Internet safety policies? Have schools and libraries that have expanded Internet safety policies found any benefits? Have expanded Internet safety policies imposed additional costs on schools and libraries? Should the Commission expand the requirements for Internet safety policies to include additional content from these

¹⁵² 47 U.S.C. § 254(h)(5)(B), (6)(B), (l).

¹⁵³ 47 U.S.C. § 254(l)(3) (requiring E-Rate participants to make Internet safety policies available to the Commission upon request).

¹⁵⁴ 47 U.S.C. § 254(h)(5)(A), (6)(A).

¹⁵⁵ Any potential collection or review of Internet safety policies would not include a determination of what content is inappropriate for minors, which is left to local determination, consistent with the statutory text of CIPA. 47 U.S.C. § 254(l)(2).

¹⁵⁶ See, e.g., E-Rate Central, *Sample CIPA-Compliant Internet Safety Policy*, https://e-ratecentral.com/Portals/0/DocFiles/files/cipa/cipa_policy_sample.pdf (last visited June 2, 2026).

¹⁵⁷ See, e.g., The School District of Phila., *Acceptable Use of Internet, Technology, and Network Resources* (rev. Jan. 25, 2024), https://www.philasd.org/schoolboard/wp-content/uploads/sites/892/2024/03/Policy_815_Acceptable-Use_Fall-1.pdf; Weehawken Township School District, *Internet Access Policy*, https://www.weehawkenschools.net/apps/pages/index.jsp?uREC_ID=367513&type=d&pREC_ID=823100 (last visited June 2, 2026).

Internet access and/or acceptable use policies? Do the schools' and libraries' Internet safety policies and acceptable use policies contain any confidential, sensitive, or personally identifiable information? Are schools and libraries already making their Internet safety and acceptable use policies publicly available? For those schools and libraries that make them publicly available, where are the policies being made publicly available (e.g., school or library website)? If there is confidential, sensitive, or personally identifiable information in the schools' or libraries' Internet safety policies, how are the schools and libraries protecting or withholding that information before making the policies public?

45. In establishing an Internet safety policy, schools¹⁵⁸ and libraries¹⁵⁹ are required to provide reasonable public notice and hold at least one public hearing or meeting to address the proposed Internet safety policy.¹⁶⁰ These steps are critical for ensuring that local communities, including parents and guardians of the children within those communities, have an opportunity to weigh in on the Internet safety decisions being made for their children. We seek input on whether school boards, local educational agencies, libraries, or other local authorities are holding public hearings or meetings or providing reasonable public notice prior to adopting their Internet safety policies. We also seek comment on what constitutes "reasonable" public notice.¹⁶¹ Should we adopt a timing requirement to ensure that school boards, local educational agencies, libraries, or other local authorities provide the required public notice and hold the required public hearing or meeting sufficiently in advance of adopting their Internet safety policies to allow for participation in the process by parents and guardians? How would we implement and enforce such a requirement? How are schools and libraries providing public notice? How are parents and guardians provided notice? How far in advance of adopting an Internet safety policy should a school or library be required to provide public notice and hold a public hearing or meeting? Recognizing the importance of the public notice and public hearing or meeting requirements, we seek comment on whether there are additional steps the Commission can take to emphasize or enforce these requirements to ensure parents and guardians are being consulted on what their children are accessing through the school's or library's E-Rate-funded network and services. Should the Commission provide guidance on acceptable ways of posting the policies to the public?

46. In certain circumstances, such as failing to provide public notice or hold a public hearing or meeting, E-Rate applicants are given the opportunity to correct minor errors that could result in violations of the CIPA rules before a reduction or recovery of funding is instituted.¹⁶² Should the Commission direct USAC to reduce funding commitments or recover disbursed funding if it determines that the applicant failed to provide the required public notice and/or hold a public hearing or meeting? Should the applicant be at risk of having their funding denied and having to repay funding for the entire period of time that they were out-of-compliance with the CIPA requirements? Are there any circumstances under which a school or library should be allowed to cure a CIPA-related violation?

47. While CIPA requires schools and libraries to hold "at least one" public hearing or meeting, should the Commission require additional public meetings or hearings? For example, should schools or libraries be required to provide public notice and hold a public hearing or meeting each time the Internet safety policy is amended? What would be the costs and benefits of these additional meetings? Should there be an exception for *de minimis* changes to the Internet safety policy? We seek input on whether school boards, local educational agencies, libraries, or other authorities review and

¹⁵⁸ See 47 U.S.C. § 254(h)(5)(A)(iii) (requiring a school, the school board, local educational agency, or other authority with responsibility for administration of the school to provide reasonable public notice and hold at least one public hearing or meeting to address the proposed Internet safety policy).

¹⁵⁹ See *id.* § 254(h)(6)(A)(iii).

¹⁶⁰ See 47 CFR § 54.520.

¹⁶¹ See 47 U.S.C. § 254(h)(5)(A)(iii), (6)(A)(iii), (l)(1)(B).

¹⁶² See 2011 CIPA Order, 26 FCC Rcd at 11828, para. 21.

approve the Internet safety policy each time changes are made. Alternatively, does the statute permit requiring public notice and public hearings or meetings on an annual basis (e.g., before each school year) or some other time period? If additional public notice and public hearings or meetings are permitted or required, should the rules differ with respect to schools versus libraries? At a minimum, CIPA requires schools and libraries to keep at least some record of the public notice that was disclosed when the public hearing or meeting took place (e.g., a copy of the meeting agenda, or a newspaper article announcing the hearing or meeting).¹⁶³ Should the Commission prescribe how the public notice should be released to ensure it is reaching the local community, including parents and guardians?

48. We also seek comment on how sunseting or narrowing the E-Rate program might impact policies surrounding children's online safety when accessing the Internet from a school or library.¹⁶⁴ In an *ex parte* filing, INCOMPAS argues that a lack of E-Rate funding would not prevent students from using school networks, but it would eliminate obligations to enforce children's online safety standards required by CIPA, such as implementing an Internet safety policy and operating a technology protection measure.¹⁶⁵ We seek comment on how, or if, schools and libraries will change their Internet safety protections in the absence of CIPA obligations. Will schools and libraries continue to put in place Internet safety measures like Internet safety policies and content filters if it is not required as a condition of receiving E-Rate funding? Are there other protections that schools and libraries use to ensure Internet-based content accessed while at a school or library is safe for students? What authority, if any, does the Commission have to require or enforce children's online safety protections on services accessed at a school or library outside of the CIPA framework?

D. Legal and Policy Considerations for Assessing Children's Screen Time and Protecting Children and Empowering Parents on E-Rate-Funded Networks

49. As recent studies suggest that excessive screen time may negatively affect children and minors,¹⁶⁶ does the Commission have any statutory obligation beyond CIPA or responsibility as a good steward of the limited E-Rate funds to assess how E-Rate-funded networks and services may be contributing to these potentially detrimental effects on children and minors? What statutory authority does the Commission have beyond CIPA to limit screen time or otherwise protect children and minors and empower greater parental control over their children's screen use when accessing E-Rate-funded networks and services? Is that statutory authority limited to E-Rate-funded networks and services, which are limited to the physical classroom or library building? Is that statutory authority different for schools than for libraries? Is that statutory authority limited to school- and library-owned computers and devices using E-Rate-funded networks or Internet access services?

50. As previously discussed, experts have recommended limits on screen time for children and minors based on age.¹⁶⁷ Should screen time limits be based on the age of the children or minors?

¹⁶³ See *id.*, at 11827-28, para. 20.

¹⁶⁴ *Supra* para. 12.

¹⁶⁵ INCOMPAS *Ex Parte* at 4.

¹⁶⁶ See e.g., Jean M. Twenge, *International Declines in Academic Performance and Increases in Loneliness Are Linked to Electronic Devices*, 98 J. of Adolesc. 250 (2026); Roberta Pires Vasconcellos, *Electronic Screen Use and Children's Socioemotional Problems: A Systematic Review and Meta-Analysis of Longitudinal Studies*, 151 Psych. Bull. 513 (2025), <https://www.apa.org/pubs/journals/releases/bul-bul0000468.pdf>; Benjamin Zablosky et al., *Associations Between Screen Time Use and Health Outcomes Among US Teenagers*, 22 Preventing Chronic Disease E38 (2025), https://www.cdc.gov/pcd/issues/2025/pdf/24_0537.pdf; Am. Acad. of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx.

¹⁶⁷ See *supra* para. 5; accord *Plugged Out: Examining the Impact of Technology on America's Youth: Hearing Before the S. Comm. On Com., Sci., and Transp.*, 119th Cong. 7 (2026) (Testimony of Jared Cooney Horvath, Ph.D.

(continued....)

What should those limits be? Does the Commission have any statutory authority outside of CIPA to require such limits? What is the specific statutory basis for that authority? How would such limits be enforced at a school or library?

51. Some experts have differentiated between screen time associated with educational use (i.e., screen time used to enhance teaching and learning) and recreational screen time (e.g., non-educational screen time used to watch TV, play video games, engage with social media apps, browse the Internet for leisure, or text or scroll through photos on a smart phone).¹⁶⁸ Are there distinctions between educational screen time and recreational screen time when it comes to children and minors using E-Rate-funded networks? Do the distinctions differ depending on whether an E-Rate-funded network is being accessed using a school- or library-owned computer or a third-party owned device? In practice, are children and minors able to access both educational and recreational platforms using E-Rate-funded networks and services? If they are able to access both, could the recreational use be decreased or prevented by implementing modified or stricter blocking and filtering requirements? Is there statutory authority outside of CIPA that we could use to decrease or prevent recreational use on E-Rate-funded networks and services? We ask commenters to provide specific citations to any applicable statutory authority.

52. Certain research seems to suggest that analog learning may increase academic performance and reduce bullying.¹⁶⁹ To what extent has student-owned device use, in-school and out-of-school, contributed to the decline in achievement (as opposed to in-school use of school-owned devices)? How do different types of cell phone bans (bell-to-bell, instructional time, etc.) affect student use of smartphones in-school and out-of-school? To reduce the harms that may accompany excessive screen time, and increase the likelihood that screen time is utilized for an educational purpose, should the Commission impose per-day limits on the number of hours children or minors can use E-Rate-funded

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and M.Ed), <https://www.commerce.senate.gov/services/files/A19DF2E8-3C69-4193-A676-430CF0C83DC2> (recommending that Congress establish age-appropriate limits for screen exposure in federally-supported early education programs) (Horvath Testimony).

¹⁶⁸ Letter from AASA, the School Superintendents Association, et al. to Senators Ted Cruz and Maria Cantwell, U.S. S. Comm. on Com., Sci. and Transp. (Jan. 13, 2026), <https://www.cosn.org/wp-content/uploads/2026/01/Senate-Commerce-Hearing-Letter-2.pdf> (“It is important to differentiate between educational screen use and recreational or consumer screen use. In reality ‘screen time’ is not a single category and should not be evaluated as such.”). This is not to say that all non-educational use is problematic. For example, in 2010, the Commission began allowing E-Rate support for eligible services serving the residential areas of schools that serve unique populations—including schools on Tribal lands and schools designed to serve students with medical needs, among others—because such services are used primarily, if not exclusively, for educational purposes. See *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18774, paras. 22, 31-32 (amending E-Rate program rules to require that services be used primarily for educational purposes and explaining that “[t]o primarily use services supported by E-rate, E-rate recipients must ensure that students always get first priority in use of the schools’ resources”).

¹⁶⁹ Testimony of Jean M. Twenge, Ph.D., <https://www.commerce.senate.gov/services/files/EDA851D3-4D6B-4D2A-A099-DF3FA8B64D62> (reporting that “[s]everal studies have found that reading on paper leads to significantly better reading comprehension than reading digitally” and citing, e.g., Salmerón, L., Vargas et al., *Relation between digital tool practices in the language arts classroom and reading comprehension scores*, 36 Reading and Pablo Delgado (2023) and *Don’t throw away your printed books: A meta-analysis on the effects of reading media on reading comprehension*, 25 Educ. Res. Rev. 23 (2018)); Sharon Lurye, *Some Parents Don’t Want Their Kids to Use Tech at School. But Districts are Pushing Back* (May 14, 2026), <https://apnews.com/article/edtech-philly-classroom-technology-computer-phone-screens-6aab2bae1d66df1863509b5d5c74fe12> (sharing one student’s perspective that she has difficulty focusing and finds it hard to concentrate when learning from a screen); Sara Abrahamsson, *Smartphone Bans, Student Outcomes and Mental Health*, 4 (2024), <https://ssrn.com/abstract=4735240> (finding that banning smartphones in middle schools lowers incidence of bullying).

networks and services? Do we have the statutory authority outside of CIPA to impose such limits? If we do have statutory authority outside of CIPA, what is the specific statutory authority for imposing such limits? How would such limits be enforced? Would the per-day hour limitation be set by the Commission, or would it better be determined by local authorities, similar to how the local school board, local educational agency, library, or other agency is responsible for determining what content is inappropriate for minors under CIPA? Would the per-day limit apply solely to E-Rate-funded networks and services accessed in a physical classroom or library building? Would it apply solely to E-Rate-funded networks and services being used by school- or library-owned computers? Would it apply to third-party owned devices that connect with E-Rate-funded networks and services? How would per-day limits impact the demand for E-Rate funding, since such limits may reduce the demand for E-Rate-funded services?

53. There are differing views on whether children’s and minors’ online safety in school is best handled by parents, by teachers, through regulation, or some combination thereof.¹⁷⁰ Who is better situated to protect the online safety of children and minors that use E-Rate-funded networks – the Commission, parents and guardians, teachers, or a combination of all these parties? How can the Commission work collaboratively with parents, guardians, and teachers outside of CIPA to empower them to protect the safety of children and minors when using E-Rate-funded networks? How can parents, guardians, and teachers proactively involve themselves in the Commission- and local-level rules, processes, and procedures that govern access and use of E-Rate-funded networks by children and minors? Are there other screen time or E-Rate-funded network concerns that the Commission has the authority to address outside of CIPA? What are those concerns and how should they be addressed?

IV. FURTHER NOTICE OF PROPOSED RULEMAKING

54. In this FNPRM, we propose and seek comment on a number of new measures aimed at enhancing program integrity by reducing opportunities for fraudulent conduct by consultants. Building on the Commission’s recent successes in addressing waste, fraud, and abuse risks associated with the E-Rate program,¹⁷¹ and recognizing the role consultants play in assisting program participants, these measures are designed to facilitate and improve the Commission’s and USAC’s oversight of consultants and consulting firms and provide the Commission and USAC with additional tools to address instances of consultant misconduct. We also seek comment on further efforts to streamline and strengthen our oversight of the E-Rate program. Finally, consistent with the Commission’s recent efforts to eliminate unnecessary and burdensome rules and regulations, we seek comment on a proposal to eliminate certain ECF program rules from the Code of Federal Regulations.¹⁷²

A. Strengthening Oversight of Consultants and Consulting Firms

55. Consultants and consulting firms play a supporting role in the E-Rate program, assisting

¹⁷⁰ Jennifer Huddleston, *Kids & Internet: Education Over Regulation, and Many Options to Fit Different Families’ Needs* (Feb. 3, 2026), <https://www.cato.org/blog/kids-internet-education-over-regulation-many-options-fit-different-families-needs> (discussing how parents remain the best technology decision makers for their children). *But see Plugged Out: Examining the Impact of Technology on America’s Youth: Hearing Before the S. Comm. On Com., Sci., and Transp.*, 119th Cong. 11 (2026) (Testimony of Jenny Radesky, MD), <https://www.commerce.senate.gov/services/files/4D82755F-D188-46F8-B063-DAC676ADCC5E> (discussing how “[l]ocal policies should be developed at the state and school district level” and should “focus on boundaries, transparency and communications with families, and intentional ed tech implementation”).

¹⁷¹ See generally U.S. Government Accountability Office, *Federal Awards—Selected Programs Did Not Fully Include Identified Practices to Enhance Oversight and Fraud Prevention* at 12 (2025), <https://www.gao.gov/assets/gao-26-107444.pdf> (GAO Fraud Prevention Report) (finding that the E-Rate program was one of only five federal programs to have implemented all nine of the GAO’s anti-fraud measures).

¹⁷² See, e.g., *Delete, Delete, Delete*, GN Docket No. 25-133, Public Notice, 40 FCC Rcd 1601 (2025) (seeking comment on unnecessary rules or regulations that the FCC should eliminate).

applicants and service providers across all phases of the program, including, for example, helping applicants with the submission of FCC Form 471 applications and responses to program integrity assurance (PIA) review and audit inquiries. There are, however, opportunities for unscrupulous individuals, acting as consultants, to engage in fraudulent activity and frustrate the program's purpose.¹⁷³ For example, in its 2020 Government Accountability Office (GAO) E-Rate Report, GAO explained that consultants' potential to "exert great influence" on the competitive bidding process, combined with a lack of direct oversight by USAC or the Commission, creates opportunities for consultants to collude with applicants or service providers to obtain funding for ineligible products and services.¹⁷⁴ GAO also found that the lack of oversight increases the likelihood of consultants submitting false or fictitious information on program forms and certifications, potentially without an applicant's or service provider's knowledge.¹⁷⁵ Improper conflicts of interest can also exist between consultants and service providers, which further undermine the program's competitive bidding rules.¹⁷⁶

56. To address these potential sources of misconduct and bolster our oversight of consultants and consulting firms participating in the program, we first propose to define a "consultant" for purposes of the E-Rate program along with other key program improvements. As explained further below, establishing a definition of a "consultant" will provide program participants with a clear understanding of which individuals are subject to the Commission's consultant-related requirements, including those proposed herein, and promote consistent application of those requirements across the program. Next, we

¹⁷³ See e.g., Letter from Theresa Z. Cavanaugh, FCC, Enforcement Bureau, Investigations and Hearings Division, Chief, to Jonathan Slaughter, Notice of Debarment, EB File No. EB-12-IH-0050, 27 FCC Rcd 10990 (EB 2012) (finding that E-Rate consultant and owner of E-Rate Consulting Services LLC converted BEAR funding payable to 20 schools and school districts to his personal use); Letter from Theresa Z. Cavanaugh, FCC, Enforcement Bureau, Investigations and Hearings Division, Chief, to Willard Ross Lanham, Notice of Debarment, EB File No. EB-12-IH-0847, 27 FCC Rcd 14891 (EB 2012) (detailing that Mr. Lanham as a NYC DOE consultant "defrauded the E-Rate program by, among other things, inflating consultant fees and bundling those charges with eligible services on invoices billed to [NYC] DOE for work unrelated to Project Connect. As a result of your scheme, [NYC] DOE [and the E-Rate Program] was fraudulently billed more than \$3.6 million for Project Connect . . ."); Letter from Theresa Z. Cavanaugh, FCC, Enforcement Bureau, Investigations and Hearings Division, Chief, to Denise Babcock, Notice of Debarment, EB File No. EB-12-IH-1396, 27 FCC Rcd 1123 (EB Feb. 8, 2013) (finding that E-Rate consultant and owner of Camanche Consulting Services pled guilty to converting BEAR funding from various school districts for her personal use); Press Release, Dep't of Just., Seven Defendants Plead Guilty To Defrauding Federal Program That Provided Technology Funding For Rockland County Schools (Feb. 12, 2020), <https://www.justice.gov/usao-sdny/pr/seven-defendants-plead-guilty-defrauding-federal-program-provided-technology-funding> (stating that two of the seven individuals, Simon Goldbrener and Moshe Schwartz, were E-Rate consultants); Press Release, Dep't of Just., School Consultant Pleads Guilty to Kickback Conspiracy Connected to Covid-Era Programs Designed to Help Schoolchildren Access the Internet (Jan. 22, 2026), <https://www.justice.gov/usao-edny/pr/school-consultant-pleads-guilty-kickback-conspiracy-connected-covid-era-programs> (announcing that an E-Rate and ECF consultant pled guilty to fraud and receiving kickbacks from service providers for federally funded contracts).

¹⁷⁴ See 2020 GAO E-Rate Report at 23-25.

¹⁷⁵ 2020 GAO E-Rate Report at 24-26 ("[A]lthough E-rate consultants are expected to be independent of the applicants, and service providers, neither FCC nor USAC have direct oversight or monitoring responsibility over E-rate consultants' activities. As a result, this absence of direct oversight can increase the likelihood and impact of the opportunities E-rate consultants have to misrepresent self-reported application or funding information and do so with or without the applicants' or service providers' knowledge.").

¹⁷⁶ 2020 GAO E-Rate Report at 23-26; see also *Request for Review of a Decision of the Universal Service Administrator by Iosco Regional Educational Service Agency*, CC Docket No. 02-6, Order, 24 FCC Rcd 12735, 12740, para. 9 (WCB 2009) (finding that the applicant's use of a consultant that was also an employee of the service provider violated the FCC's competitive bidding rules); *Requests for Waiver and Review of Decisions of the Universal Service Administrator by Akisha Networks, Inc.*, CC Docket No. 02-6, Order, 27 FCC Rcd 8294, para. 2 (WCB 2012) (finding that "the financial relationship between the E-Rate consultant and the selected service provider constitutes a prohibited conflict of interest under the E-Rate program rules").

propose requiring applicants and service providers to collect and submit to USAC an annual consultant certification and disclosure form, similar to the current Service Provider Annual Certification (SPAC) Form (FCC Form 473), on which each consultant participating in the program would be required to certify to their knowledge of and compliance with E-Rate program rules and disclose any conflicts of interest. Third, we propose to create a database that would serve as a registration system for consultants seeking to participate or already participating in the E-Rate program to better enable the Commission and USAC to monitor any improper conduct by a consultant or consulting firm. Fourth, we propose to bar applicants and service providers from entering into consultant fee arrangements based on a percentage of the E-Rate contract or funding application amount and to amend section 54.516 of the Commission's rules to clarify the type of consultant-related documents applicants and service providers must keep to show compliance with our rules. Lastly, we seek comment on additional measures to streamline and strengthen oversight of the E-Rate program and eliminate certain ECF program rules from the Code of Federal Regulations.

1. Establishing a Definition of a "Consultant"

57. First, given the role that consultants play in the E-Rate program and the breadth of work performed by them, we propose to define a "consultant" as "any non-employee working on behalf of a school, library, consortium that includes an eligible school or library, or service provider that participates in or is seeking to participate in the E-Rate program and who assists the school, library, consortium that includes an eligible school or library, or service provider, whether or not for a fee, with any aspect of participating in the E-Rate program, including, but not limited to, the application, competitive bidding, or disbursement processes." Examples of work performed by a consultant for purposes of this definition may include but are not limited to the planning, preparation, and submission of E-Rate applications or other E-Rate program forms; the planning and preparation of and/or assistance with bids or bid evaluations; and responding to pre-commitment and/or post-commitment inquiries and audits, among other things. A non-employee of the applicant or service provider includes contractors or others who are employed by the applicant or service provider on a contract- or short-term basis and who do not receive a W-2 form from the applicant or service provider.¹⁷⁷ A "non-employee" includes an employee, officer, representative, agent, or independent contractor of the consultant working on behalf of a school, library, consortium that includes an eligible school or library, or a service provider that participates in or is seeking to participate in the E-Rate program, including individuals who prepare, approve, sign, or submit E-Rate applications, or other forms related to the E-Rate program, or who prepare bid evaluations, bids, communicate or work with E-Rate service providers, other E-Rate consultants, or with USAC, as well as staff of such consultants responsible for monitoring compliance with E-Rate program rules.

58. We seek comment on our proposed definition for purposes of the program. Should our definition include other individuals performing other important or routine tasks on behalf of applicants and/or service providers in the E-Rate program? Should our definition exclude certain individuals? If so, who and why? For example, should certain non-employees working on behalf of service providers like channel partners, resellers, agents, and/or authorized dealers who assist service providers in the ordinary course of their commercial relationship with the service provider be excluded from our proposed

¹⁷⁷ Under this proposed definition, we would not consider an individual who holds himself or herself out to be an "employee" of an applicant or service provider by, for example, obtaining and using an email address associated with a school, library, or service provider a non-employee if he or she is in fact acting as the applicant or service provider's consultant. In these circumstances, the Commission will consider such individual a consultant and may, if the circumstances warrant, refer the individual to the agency's Suspending and Debarring Officials (SDO) for potential action, including suspension and/or debarment from participating in the E-Rate program. *See generally Modernizing Suspension and Debarment Rules*, GN Docket 19-309, Report and Order, Direct Final Rule, and Further Notice of Proposed Rulemaking, FCC 26-18 (rel. Mar. 27, 2026).

definition?¹⁷⁸ If so, why? Is there anything unique about the service provider-channel partner relationship and/or how channel partners are compensated that warrants excluding them from our definition?¹⁷⁹ By establishing a clear definition of a consultant, we seek to provide greater clarity to program participants regarding the individuals subject to the Commission's consultant-related rules and requirements and the scope of work typically performed by them. Are there any other potential benefits to defining the term? Are there any downsides to doing so?

2. Requiring an Annual Consultant Certification and Disclosure Form (FCC Form 5654)

59. Next, we propose to require applicants and service providers to collect and submit to USAC an annual consultant certification and disclosure form to be completed by each of their consultants.¹⁸⁰ The consultant certification form would be modeled after the current SPAC Form (FCC Form 473), on which service providers are required to certify to compliance with E-Rate program rules.¹⁸¹ Specifically, we propose that the consultant certification form require consultants to certify to their compliance with and knowledge of all applicable E-Rate program rules, including those related to competitive bidding, requesting services, and invoicing for eligible services, as well as those rules restricting gifts and prohibiting false statements or misrepresentations on an annual basis.¹⁸² We also propose that consultants be required to certify that they are in compliance with the requirement that they not enter into any arrangement that results in an actual conflict of interest (e.g., an association or partnership with an E-Rate service provider or vendor)¹⁸³ or the appearance of a conflict of interest and seek comment on whether the same or a similar certification should be added to other E-Rate program forms, such as the FCC Forms 470, 471, and 473. Finally, as part of this new consultant certification form, consultants would be required to certify that they have knowledge of and are in compliance with any program requirements adopted pursuant to this proceeding, including, for example, the requirement that they register in the proposed consultant registration database, complete mandatory training, and

¹⁷⁸ INCOMPAS *Ex Parte* at 6 (urging the Commission to clarify that these types of non-employees be excluded from the proposed definition of a "consultant").

¹⁷⁹ *Id.* (noting that channel partners are "commercial intermediaries who act as extensions of the service provider: they are subject to the provider's oversight, their compensation typically takes the form of a fixed or flat fee paid through the provider's relationship rather than a percentage of, or contingent fee tied to, the size of the applicant's funding request, and they are not positioned to steer applicants toward unnecessarily large funding commitments.").

¹⁸⁰ See Appendix A (proposed rules).

¹⁸¹ See Universal Service Administrative Company, *File the FCC Form 473*, <https://www.usac.org/e-rate/service-providers/step-3-winning-the-bid/fcc-form-473-filing/> (last visited June 2, 2026). The FCC Form 473 requires service providers to annually certify to compliance with all applicable E-Rate program rules, including those related to competitive bidding, invoicing, and the restriction on gifts.

¹⁸² See generally 47 CFR §§ 54.503 (competitive bidding requirements); 54.504 (requesting services); 54.514 (invoicing); 54.503(d) (gift restrictions); 54.504(a)(1)(i)-(ix) (listing certifications applicants must make under oath on the FCC Form 471 application); 54.503(c)(2)(i)-(ii) (listing certifications applicants must make under oath on the FCC Form 470).

¹⁸³ See Appendix A (proposed rules); see, e.g., 47 CFR § 54.503(a) (providing an illustrative list of activities or behaviors that would compromise the fair and open competitive bidding process, including, but not limited to, "the applicant for supported services [having] a relationship with a service provider that would unfairly influence the outcome of a competition or would furnish the service provider with inside information; ... an applicant employee with a role in the service provider selection process also [having] an ownership interest in the service provider seeking to participate in the competitive bidding process...."); *Requests for Review of the Decision of the Universal Service Administrator by SEND Technologies, L.L.C., Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 22 FCC Rcd 4950 (WCB 2007) (*SEND Order*) (finding that where the applicant's contact person is also a partial owner of the selected service provider, the relationship between the applicant and the service provider creates a conflict of interest and impedes fair and open competition).

obtain a consultant registration number.¹⁸⁴ Applicants and service providers that do not use a consultant would also be required to submit this form and certify to not having used a consultant for any E-Rate-related activities.¹⁸⁵

60. To strengthen our ability to deter and detect potential misconduct and improve transparency in the program, we further propose requiring certain disclosures on the form by consultants, including: (1) the consulting firm(s) and/or company(ies) for whom the consultant is currently working and (2) any association and/or relationship the consultant may have that could potentially pose an actual conflict or an appearance of a conflict of interest.¹⁸⁶ Coupled with the certification statements, we believe these disclosures will better assist the Commission and USAC to prevent and identify misconduct by consultants, consulting firms, and/or the applicants and service providers that hire and potentially collude with them to defraud the program. While we acknowledge that the majority of consultants and program participants comply with the Commission's rules, there are documented instances of misconduct by consultants;¹⁸⁷ and, as careful stewards of these funds, we believe requiring such certifications and disclosures is appropriate and necessary to close oversight gaps and limit opportunities for misconduct. We expect the information collected on the form to be used by the Commission and USAC to gain insight and better track potential bad actors across multiple consulting firms and/or multiple E-Rate applications. We seek comment on these assumptions and our proposal to require this form.¹⁸⁸ Could the information collected on these forms be of potential use to other interested parties, such as the Commission's Office of Inspector General (OIG), U.S. Department of Justice (DOJ), or other enforcement agencies, that conduct investigations related to and participate in litigation around E-Rate program rule violations? Are there other certification statements and/or disclosures the Commission should consider including on the form that would help us better prevent and detect misconduct and ensure transparency and compliance with program rules? Should consultants be required to make these submissions directly to USAC?

61. We also seek comment on when the certification and disclosure form should be submitted. Should the consultant certification and disclosure form be submitted at the time that the applicant submits the FCC Form 470 to initiate competitive bidding? If the applicant is not filing an FCC Form 470, should we require applicants and service providers to submit the form with their FCC Forms 471 and 473, respectively? Or should the form be collected by the start of the funding year, i.e., July 1, or by the end of the application filing window? Relatedly, should applicants and service providers be required to submit updates to the form when a new conflict of interest arises, a new consultant is hired, and/or when a consultant moves to another consulting firm? Should updates only be required with the next annual submission or should they be submitted within a set period of time (i.e., 15 days or 30 days) from the date of the change?

62. Finally, what should the consequences be for failing to submit the consultant certification and disclosure form? For example, to encourage applicants and service providers to timely submit these forms, we propose that USAC hold any E-Rate-related FCC form(s) under review until the certification and disclosure form is completed and submitted. If the annual form is not timely submitted, we propose that USAC reject any pending E-Rate-related forms submitted by the applicant or service provider for that year. We seek comment on this proposal. Should the Commission consider other potential consequences

¹⁸⁴ See *supra* paras. 55-58.

¹⁸⁵ See Appendix A (proposed rules).

¹⁸⁶ See Appendix A (proposed rules).

¹⁸⁷ See *supra* note 124.

¹⁸⁸ If we adopt this proposal, we will determine what changes, if any, are necessary to applicable Privacy Act System of Records Notices (SORNs), see, e.g., Federal Communications Commission, *Privacy Act of 1974; System of Records*, 88 Fed. Reg. 77580 (Nov. 13, 2023), or whether such certifications will be maintained in a new system of records specifically governing the proposed consultant database, discussed next.

for failing to timely submit this form, such as referral to the Enforcement Bureau, holding future disbursements, rescinding committed funds, and/or recovering disbursed funds? Should the consultant be referred to the Suspending and Debarment Official (SDO) for potential suspension and debarment proceedings under the Commission's rules?¹⁸⁹

63. What consequence(s) should there be for submitting false statements on the form? Should we, for instance, subject consultants who submit false statements to fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), fine and imprisonment under Title 18 of the U.S. Code, 18 U.S.C. § 1001, 18 U.S.C. § 1343, and/or liability under the federal False Claims Act consistent with those penalties we impose on applicants and service providers who submit false statements on other E-Rate program forms? Should the consultant be referred to the SDO for potential suspension and debarment proceedings under the Commission's rules?¹⁹⁰ We seek comment on our authority to subject consultants to such penalties and whether applicants and service providers responsible for submitting these forms should be subject to the same or similar penalties if they willingly and knowingly submit consultant certification and disclosure forms that include false statements.

3. Creating a Consultant Registration Database

64. Third, to further strengthen program integrity and transparency, we propose to create a database that would serve as a registration system for consultants participating in the E-Rate program that would assign every individual consultant a Consultant Registration Number (CRN). Currently, only consulting firms are required to register with USAC and obtain a CRN, a unique eight-digit identification number assigned by USAC to obtain access to USAC's systems; individual consultants are not required to do so.¹⁹¹ Applicants list the CRN on the FCC Forms 470 and 471 to indicate which consulting firm, if any, assisted the applicant with the preparation of their form(s).¹⁹² However, neither the Commission nor USAC has visibility into whether any individual consultant may have helped in the preparation of the form(s), unless the applicant voluntarily adds an individual consultant as an authorized user, using the consulting firm's CRN.¹⁹³ This lack of visibility into the individuals participating in the program impedes the Commission's ability to effectively monitor the program and identify waste, fraud, and abuse. As a result, the current CRN process is only of limited use.

65. To increase insight and transparency into the consultants participating in the program, we propose to create a database similar to the Lifeline program's Representative Accountability Database (RAD) that would assign every individual consultant a CRN. The RAD is a registration system used by USAC to validate the identities of service provider representatives performing transactions in the National

¹⁸⁹ See *Modernizing Suspension and Debarment Rules*, GN Docket 19-309, Report and Order, Direct Final Rule, and Further Notice of Proposed Rulemaking, FCC 26-18 (rel. Mar. 27, 2026).

¹⁹⁰ See *id.*

¹⁹¹ See USAC, *Consultant Registration Numbers*, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/consultant-registration-numbers/> (last visited June 2, 2026).

¹⁹² See, e.g., *Instructions for Completing the Schools and Libraries Universal Service Description of Services Requested and Certification Form (FCC Form 470)*, OMB Control No. 3060-0806, at 7 (2014); *Instructions for Completing the Schools and Libraries Universal Service Services Ordered and Certification Form (FCC Form 471)*, OMB Control No. 3060-0806, at 9 (2014); see also USAC, *Consultant Registration Numbers*, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/consultant-registration-numbers/> (last visited June 2, 2026) (explaining how to obtain a CRN and use it in the E-Rate Productivity Center (EPC) online system).

¹⁹³ Even in instances where the applicant adds an individual consultant as an authorized user, the information may not be reliable as there is no current requirement that this information be accurate or up-to-date. Under current procedures, the account administrator for each EPC applicant or service provider account is responsible for adding and removing users from its account and USAC is not responsible for account access and management for these EPC accounts.

Lifeline Accountability Database (NLAD) and National Verifier and detect potential fraud.¹⁹⁴ Under this system, if USAC suspects that a service provider representative is engaged in potential fraud, USAC is able to lock the representative's account in the NLAD and National Verifier.¹⁹⁵ To obtain a registration number through the RAD (also known as a Representative ID), each required registrant must provide USAC with important identifying information, including his or her full name, email address, physical address, date of birth (DOB), and the last four digits of his or her social security number.¹⁹⁶

66. We propose to create a similar database of E-Rate consultants to allow USAC to validate the identity of each consultant seeking to participate or currently participating in the E-Rate program, monitor for suspicious activity, and potentially preclude them from accessing E-Rate systems (including the E-Rate Productivity Center (EPC) when rule violations or other misconduct are detected). In so doing, we hope to eliminate the possibility of fictitious individuals being able to pose as E-Rate consultants and to prevent bad actors from circumventing detection. Accordingly, we propose that, as a prerequisite to being able to access any E-Rate system, including EPC, and perform any task on behalf of an applicant and/or service provider, any consultant who seeks to participate in or is already participating in the E-Rate program be required to register in the system and obtain a CRN assigned to that individual that is unique to that individual and will remain assigned to that individual even if that individual moves from one consulting firm to another, for example.¹⁹⁷ The database would be managed by USAC, and registration would be required at the time a consultant first seeks to access and/or complete a task in any one of the E-Rate program's systems. Under this proposed system, a consultant would not be able to obtain or register for more than one CRN and would be limited to one EPC login username that is linked to their CRN. To further avoid the risk of fraud, we propose that consultants be prohibited from using another individual's CRN or login username to access USAC's systems or to complete and/or submit any FCC forms on behalf of schools, libraries, consortia, or service providers. As part of the consultant registration process, we propose that consultants complete a mandatory E-Rate and anti-fraud training that will be offered by USAC and certify to having reviewed and understood the training content covered upon completion.¹⁹⁸ Consultants would be required to complete the training on an annual basis and would be prohibited from accessing USAC's systems and from completing and/or submitting any FCC forms until the training has been completed. We seek comment on these proposals. Are there any other potential benefits to creating such a database and requiring registration with it? Besides requiring an

¹⁹⁴ See *Bridging the Digital Divide for Low-Income Consumers Lifeline and Link Up Reform and Modernization Telecommunications Carriers Eligible for Universal Support*, WC Docket Nos. 17-287, 11-42, 09-197, Fifth Report and Order, Memorandum Opinion and Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 34 FCC Rcd 10886, 10918-19, para. 79 (2019) (*Lifeline Fifth Report and Order*); USAC, *Representative Accountability Database*, <https://www.usac.org/lifeline/rad/> (last visited June 2, 2026).

¹⁹⁵ See *Lifeline Fifth Report and Order*, 34 FCC Rcd at 10922 ("In operating the ETC representative registration system, USAC shall have the authority to protect the integrity of its registration system by, among other things, locking the NLAD and National Verifier accounts of ETC enrollment representatives with a prolonged inactive period (i.e., consecutive months) or a pattern of suspicious activity, such as unusual rates of invalid enrollment attempts.").

¹⁹⁶ See USAC, *Representative Accountability Database (RAD) Fact Sheet*, <https://www.usac.org/wp-content/uploads/lifeline/documents/RAD/RAD-Fact-Sheet.pdf> (last visited June 2, 2026).

¹⁹⁷ Consistent with our proposed definition of a "consultant," see *supra* para. 57, we note that it does not matter whether the applicant or service provider pays a fee to the consultant, if the consultant is assisting the applicant or service provider with its participation in the E-Rate program, the consultant must be registered in the system. See *Instructions for Completing the Schools and Libraries Universal Service Services Ordered and Certification Form (FCC Form 471)*, OMB Control No. 3060-0806 at 9 (2014); see also USAC, *Consultant Registration Numbers*, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/consultant-registration-numbers/> (last visited June 2, 2026); *Instructions for Completing the Schools and Libraries Universal Service, Services Ordered and Certification Form*, OMB 3060-0806 (Dec. 2013).

¹⁹⁸ See Appendix A (proposed rules).

individual consultant to now obtain a CRN specific to that individual as opposed to a CRN assigned at the firm level, what additional burdens might the creation of such a database impose on program participants, if any?

67. Next, we seek comment on the information to be collected as part of this database, how often that information should be updated, and how best to protect the privacy and security of the data collected.¹⁹⁹ We propose that each consultant be required to provide USAC with certain identifying information, including his or her full name, personal email address, home address, personal phone number, business name, business address, business phone number, business email address, DOB, and the last four digits of his or her social security number; and, should the consultant fail to obtain a CRN, applicants and service providers would be precluded from conducting any E-Rate-related business with that consultant.²⁰⁰ Keeping in mind the purpose of the database to validate the identity of consultants and help monitor for suspicious activity, is there any other information that would be useful to collect as part of this registration process? For example, to better track consultants, we propose to also collect the consulting firm(s) and/or company(ies) (i.e., consulting firms, service providers, vendors, etc.) with whom the consultant is currently employed, affiliated, or otherwise associated.²⁰¹ Is there any information we should not collect? If so, why? How often should the information we collect as part of this database be updated? Should it be updated on an annual basis based on the submission of an annual certification and disclosure form, if adopted? What should the penalties be for failing to update information within the consultant registration database? Additionally, while we note that partial Social Security Numbers are currently collected from individuals to obtain Representative IDs in the Lifeline program, we are mindful of our obligation to explore alternatives to Social Security Numbers as personal identifiers.²⁰² We therefore invite commenters to identify other data elements or identifiers that could be collected to verify the identities of individual consultants.

68. To protect the privacy and security of the data collected, we propose to require USAC, in consultation with the Wireline Competition Bureau (Bureau or WCB), the Senior Agency Official for Privacy, and Office of the Managing Director, to take appropriate steps to protect the confidentiality, integrity, and availability of the data, as required by the Federal Information Security Management Act, as amended, the Privacy Act of 1974, as amended, and applicable guidance from the Office of Management and Budget and the National Institute of Standards and Technology.²⁰³ We invite comment on whether other, additional requirements are appropriate to ensure the confidentiality, integrity, and availability of the database. For example, should the database's use be restricted to the Commission and USAC only and not be made publicly available? Are there any benefits to making some of the data in the consultant

¹⁹⁹ The Commission will evaluate any such data collection for compliance with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. § 552a, and if necessary, create new or update existing Privacy Act System of Records Notices.

²⁰⁰ See Appendix A (proposed rules).

²⁰¹ While we propose to collect the same information as part of the proposed consultant certification and disclosure form, *see supra* para. 59, we believe collecting this information at the time a consultant registers with the database will help the Commission and USAC better track potential misconduct across multiple forms and funding applications.

²⁰² OMB Circular No. A-130, Section 5(f)(1)(f).

²⁰³ See Federal Information Security Modernization Act of 2014, Pub. L. No. 113-283, 128 Stat. 3073 (2014) (codified at, e.g., 44 U.S.C. § 3554); Privacy Act of 1974, Pub. L. No. 93-579, 88 Stat. 1897 (1974) (codified at 5 U.S.C. § 552a); Office of Management and Budget, To the Heads of Departments and Agencies, *Managing Information as a Strategic Resource*, Circular No. A-130 (2016) (OMB Circular No. A-130); National Institute of Standards (NIST), *Security and Privacy Controls for Federal Information Systems*, SP 800-53 (rev. 5 2020) (NIST 800-53).

database public (e.g., consultant name and firm(s) the consultant is associated with)?²⁰⁴ Is there any specific consultant information that we do not already propose collecting that would be beneficial to collect and share publicly? If so, what information and why? For instance, we can envision the database potentially being used by applicants and service providers to help them make informed decisions about the consultants they hire. If we were to make the database publicly available, what additional information would be helpful to collect and share for this purpose?

69. Lastly, to ensure we have visibility into individual consultants participating in the program before the database is implemented, we propose to direct USAC, in the interim, to establish a process for consultants to receive an individual CRN using the existing CRN process, and to incorporate any CRN assigned to an individual consultant as part of this interim process into the database prior to it going live. Once the database is live, we expect there will no longer be a need for USAC to assign these numbers to individual consultants, as the database will automatically do so. We seek comment on this proposal and these assumptions.

4. Prohibiting Percentage-Based Fee Arrangements with Consultants and Clarifying the Type of Consultant-Related Documentation Applicants and Service Providers Should Retain

70. To further strengthen our ability to safeguard the program from waste, fraud, and abuse, we seek comment on additional ways we can protect the program from consultants and consulting firms whose actions subvert program goals. For instance, we are aware of consultants and consulting firms whose fee for their consulting work is based on a percentage of their E-Rate contracts or disbursements. In general, these types of contracts are contrary to the efficient use of limited funding as they can both wrongly incentivize a consultant or consulting firm to encourage applicants to request more E-Rate funding than needed and raise questions about whether E-Rate dollars are being used to pay for ineligible services – i.e., consultant fees.²⁰⁵ We therefore seek comment on a strict prohibition on applicants and

²⁰⁴ In 2010, the Commission sought comment on a Petition for Clarification filed by Funds for Learning regarding the disclosure of consultant information on the FCC Forms 470 and 471. *See Petition for Clarification of Confidentiality of Consultant Information Included on New FCC Forms 470 and 471 and Definition of “Consultant,”* CC Docket No. 02-6 at 1-2 (filed Nov. 11, 2010) (*2010 FFL Petition*); *see also Wireline Competition Bureau Seeks Comment On Petition For Clarification Regarding The Definition Of “Consultant” and Confidentiality Of Consultant Information Required By New FCC E-Rate Forms 470 And 471*, CC Docket No. 02-6, Public Notice, 25 FCC Rcd 16246 (WCB 2010) (seeking comment on the *2010 FFL Petition*). Notably, in this petition, Funds for Learning (FFL) discussed the creation of a consultant database and raised concerns about making such a database public. *2010 FFL Petition* at 2. FFL was concerned that a public database could reveal highly confidential business information, create the impression that the Commission endorsed those consultants in the database, and would otherwise serve as “free advertising” for consultants. *2010 FFL Petition* at 2-7. Other commenters likewise expressed similar concerns regarding the creation of a public database. *See, e.g.,* SECA, SECA Comments, CC Docket No. 02-6 at 2-3 (rec. Dec. 23, 2010) (noting that a consultant’s inclusion in a public database could be seen as an endorsement of that consultant by the Commission and that the data could be used to analyze the success or failure of certain consultants in obtaining E-Rate funding); On-Tech Consulting, Inc Comments, CC Docket No. 02-6 at 1 (rec. Dec. 23, 2010) (expressing concern that individuals will market themselves as “FCC approved” upon obtaining a CRN, and that if service providers can learn the identity of a consultant that worked on an application, they will market to that consultant); E-Rate Advantage Comments, CC Docket No. 02-6, at 2 (rec. Dec. 9, 2010) (stating that creating a public database would enable consultants to market their services by falsely claiming they are endorsed by USAC). The *2010 FFL Petition* remains pending. To the extent the issues raised in the *2010 FFL Petition* overlap with those consultant-related matters addressed in this Further Notice of Proposed Rulemaking, we take this opportunity to refresh the record on those issues and invite commenters to address those issues in light of the proposals set forth herein.

²⁰⁵ *See Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Order, DA 25-1069, 2025 WL 3707895, *7 (WCB 2025) (*FY 2026 Eligible Services List*) (explaining that consulting services not related to the installation and configuration of eligible components are not eligible for E-Rate support); *Modernizing the E-*

(continued....)

service providers from entering into any fee arrangement with their consultant that is based on a percentage of the consultant's E-Rate contracts with and/or disbursements to the applicant and/or service provider they represent.²⁰⁶ How would prohibiting these types of fee arrangements help better ensure compliance with our rules and prevent improper incentives for receipt of E-Rate funding? Are there any other types of consultant agreements that thwart compliance with program rules that should be prohibited? Conversely, are there any types of consultant agreements that should be exempt from this prohibition either because the nature of the consultant relationship is such that incentives to inflate E-Rate program costs do not exist or for some other reason?²⁰⁷

71. To ensure compliance with this proposed requirement, we further propose to amend section 54.516 of the Commission's rules to clarify the types of consultant-related documentation applicants and service providers must retain.²⁰⁸ We first propose that applicants and service providers be required to enter into a letter of agency (LOA), or similar agreement with their consultant(s), to describe the terms of the relationship and be submitted to USAC with the submission of the proposed annual consultant certification and disclosure form (FCC Form 5654). We also propose that applicants and service providers be required to retain the following types of consultant-related documentation: letters of agency, consulting and fee agreements, and banking records showing payments to consultants and/or consulting firms.²⁰⁹ Are there other consultant-related documents that applicants and service providers should be required to obtain and retain under the E-Rate rules? Should we require these types of documents to be submitted to USAC on annual basis? We seek comment on these proposals and related questions.

B. Further Streamlining E-Rate Administration

72. Next, we seek comment on a few additional measures intended to improve the administration and oversight of the E-Rate program. Together, these proposals reflect our nearly 30 years of experience overseeing and administering the program and are designed to clarify existing requirements, close gaps in the Commission's rules, and streamline administrative processes for program participants.

73. *Use of Existing Contracts.* Recognizing the evolving nature of the E-Rate program and the importance of competitive bidding to the integrity of the program, we first propose to require all applicants to enter into a signed contract or legally binding agreement with their chosen service provider following the completion of a competitive bidding process as set forth in the Commission's rules using an FCC Form 470 and signed or agreed to after the allowable contract date (ADC) that is included on the FCC Form 470.²¹⁰ That is, with the exception of those applicants eligible for a competitive bidding

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Rate Program for Schools and Libraries, WC Docket No. 13-184, Notice of Proposed Rulemaking, 28 FCC Red 11304, 11362, para. 224 (2013) (*2013 E-Rate NPRM*).

²⁰⁶ Under current E-Rate program rules requiring fair and open competitive bidding, such contracts could already be used to show a violation of the program rules. We seek to make explicit that such agreements would always be a violation.

²⁰⁷ See, e.g., *INCOMPAS Ex Parte* at 6 (noting that service provider channel partners are typically compensated based on a fixed or flat fee, rather than a percentage of, or contingent fee tied to, the size of the applicant's funding request).

²⁰⁸ 47 CFR § 54.516.

²⁰⁹ See Appendix A (proposed rules).

²¹⁰ The ACD is the earliest date on which an applicant can sign a contract for contracted services or enter into an arrangement for tariffed (T) or month-to-month (MTM) services with a service provider and is calculated 28 days after the posting of the FCC Form 470 on USAC's website. See USAC, *28-Day Waiting Period*, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/28-day-waiting-period/> (last visited June 2, 2026).

exception pursuant to section 54.503(e) of the Commission's rules,²¹¹ all applicants would be required to enter into a new, signed contract or legally binding agreement with their selected provider after posting an FCC Form 470,²¹² waiting at least 28 days, and selecting the most cost-effective service offering(s) using price of the eligible equipment and/or services as the primary factor.²¹³ Under this proposed rule, E-Rate applicants no longer would be able to rely on the narrow, uncodified exception to competitive bidding that was adopted early in the program's history. Specifically, E-Rate applicants would no longer be able to request support for equipment and/or services under an existing contract that was not competitively bid (e.g., a multi-year contract signed in June prior to the FCC Form 470 becoming available for the next funding year) pursuant to the Bureau's decision in the 2002 *Kalamazoo Order on Reconsideration*. Under the direction provided in that decision, E-Rate applicants could conduct the Commission's required competitive bidding process by filing an FCC Form 470, carefully considering all bids (including using the existing contract as a "bid"), and memorializing the selection of the existing contract as the winning "bid."²¹⁴ Under the proposed rule, all contracts and legally binding agreements would have to be signed or agreed to after the ACD that is included on the FCC Form 470 and is calculated 28 days after the posting of the form on USAC's website.²¹⁵ The *Kalamazoo Order on Reconsideration* could no longer be used to permit the use of contracts and legally binding agreements that are signed or agreed to before the ACD.

74. While the Bureau's decision to allow this narrow exception may have been reasonable in the early years of the program at a time when some applicants, such as Kalamazoo Public Schools, had existing multi-year contracts that pre-dated the start of the E-Rate program and where program rules and compliance expectations were still developing, we tentatively conclude that it is no longer necessary or appropriate to allow applicants to request services under an existing contract that was not competitively bid under the Commission's rules as those same conditions no longer exist. In particular, in the nearly 30 years since the inception of the E-Rate program and adoption of the *Kalamazoo Order on Reconsideration* decision, the Commission and Bureau have issued extensive guidance regarding the program's competitive bidding requirements.²¹⁶ We believe this guidance provides applicants with greater clarity and support around complying with these obligations, so that such an exception is no longer warranted. Moreover, we are concerned with applicants that attempt to use this exception as a

²¹¹ 47 CFR § 54.503(e).

²¹² 47 CFR § 54.503(c).

²¹³ 47 CFR § 54.503(c)(4).

²¹⁴ Specifically, this precedent permits applicants to file an FCC Form 470, consider a pre-existing contract as a "bid" and memorialize the decision to continue to use the existing contract as part of the competitive bidding process. *Request for Review of the Decision of the Universal Service Administrator by Kalamazoo Public Schools*, CC Docket 96-45, Order on Reconsideration, 17 FCC Rcd 22154, 22157, paras. 5-6 (WCB 2002) (*Kalamazoo Reconsideration Order*) (discussing relevant precedent where the Bureau concluded that a school district had carefully considered other bids before continuing service under an existing contract); *see also Request for Review by Cochrane-Fountain City School District*, CC Docket No. 96-45, Order, 15 FCC Rcd 16628, 16631, para. 7 (CCB 2000) (determining that applicants may use contracts signed before the expiration of the 28-day waiting period if: (i) the applicant is choosing to continue service under an existing contract; (ii) the applicant competitively bid the services for the new funding year; and (iii) the applicant decides, after appropriate review of the other bids received during a compliant competitive review process, to continue with the existing contract).

²¹⁵ See Appendix A (proposed rules).

²¹⁶ See, e.g., *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for our Future*, CC Docket No. 02-6, GN Docket No. 09-51, Order, 25 FCC Rcd 18762, 18798-99, paras. 85-86 (2010) (codifying the requirement that the competitive bidding process be fair and open and describing the types of conduct that are necessary to satisfy a fair and open competitive bidding requirement) (*Schools and Libraries Sixth Report and Order*); USAC, *Step 1: Competitive Bidding*, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/> (last visited June 2, 2026).

“cure” process whereby an applicant tries to correct underlying competitive bidding issues related to the contract by posting an FCC Form 470, waiting at least 28 days, and then ultimately selecting and memorializing the existing contract as the winning bid.²¹⁷

75. We seek comment on these views and, more generally, on our proposal to require all applicants to comply with the Commission’s competitive bidding rules by entering into a *new* contract or legally binding agreement with the selected provider and no longer permit applicants to rely on existing contracts that were not competitively bid under the Commission’s rules pursuant to the *Kalamazoo Order on Reconsideration*. We have proposed modifications to section 54.503(c)(4) of the Commission’s rules to require new contracts to be entered into after an FCC Form 470 has been posted on USAC’s website for at least 28 days and to make clear that applicants are no longer permitted to rely on an existing contract or legally binding agreement that was signed or agreed to prior to the ACD established by the FCC Form 470.²¹⁸ We seek comment on our proposal. To the extent these proposed rule modifications may adversely affect applicants that rely on state master contracts, for example, we invite comment and seek alternative language that results in the same outcome. Would we need an exception for applicants that file an FCC Form 470 and select a state master contract as the service offering?

76. *Service Substitutions*. Second, we propose to amend section 54.504(d) of the E-Rate program rules to make clear that service substitutions must be in writing and certified under penalty of perjury by an authorized person and that the Administrator must approve the service substitution prior to reimbursement being made.²¹⁹ In practice, this should not result in a large difference for applicants filing service substitutions, but it is consistent with rules adopted in other programs offering service substitution options and helps codify these requirements.²²⁰ We seek to improve our ability to monitor services and costs and discourage undisclosed substitutions.²²¹ We seek comment on this proposed change.

77. *June 30th Deadline for SPAC Form*. Next, we propose setting a deadline for the submission of the SPAC Form (FCC Form 473). Currently, the Commission’s rules require service

²¹⁷ We have consistently held that applicants may not use improperly awarded contracts for E-Rate support. See, e.g., *Petition for Reconsideration of a Decision of the Wireline Competition Bureau by Lazo Technologies, Inc.*, CC Docket No. 02-6, Order, 26 FCC Rcd 16661, 16664, para. 7 (2011) (*Lazo Technologies Order*) (finding “[b]ecause the funding for the . . . E-Rate project was improperly awarded based on a tainted contract, USAC properly denied additional payments on invoices related to the contract, and is under a legal obligation to recover monies improperly disbursed”); *Request for Review of the Decisions of the Universal Service Administrator by Joseph M. Hill Trustee in Bankruptcy for Lakehills Consulting LP*, CC Docket No. 02-6, Order, 26 FCC Rcd 16586, 16598-99, para. 25 (2011) (*Lakehills Consulting Order*) (“The contracts between Houston ISD and ACS were awarded outside of fair and open competitive bidding processes in violation of the Commission’s rules, and therefore neither ACS or Lakehills is entitled to any E-Rate funding.”); cf. *Request for Immediate Relief filed by the State of Tennessee, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket Nos. 96-45, 97-21, Order, 18 FCC Rcd 13581, 13587, para. 18 (2003) (*Tennessee Order*) (finding relief is appropriate only where there were no allegations of waste, fraud, abuse, or other wrongdoing relating to the award of the specific contract itself). Contracts that violate the Commission’s fair and open competitive bidding rules cannot be “cured” under the *Kalamazoo Order on Reconsideration* precedent.

²¹⁸ See Appendix A (proposed rules). We also propose to modify “four weeks” to 28 days in the rule, consistent with longstanding program outreach materials.

²¹⁹ See Appendix A (proposed rules, revising section 54.504(d)).

²²⁰ See, e.g., 47 CFR § 54.2006(b).

²²¹ See FCC, Office of Inspector General, *Lessons Learned From a Review of FCC’s Emergency Connectivity Fund*, at 9 (2025), <https://www.fcc.gov/sites/default/files/Lessons%20Learned%20from%20a%20Review%20of%20FCC%E2%80%99s%20Emergency%20Connectivity%20Fund.pdf>.

providers to file the FCC Form 473 on an annual basis, but do not specify a deadline for its submission.²²² Because USAC must have an FCC Form 473 on file in order to disburse funds, USAC's practice has been to require that the form be submitted by no later than June 30 of the applicable funding year to provide program participants with sufficient time to file their requests for reimbursement (i.e., FCC Form 472 or Billed Entity Applicant Reimbursement (BEAR) Form and FCC Form 474 or Service Provider Invoice (SPI) Form).²²³ Without a definitive deadline, however, service providers for applicants that choose the BEAR invoicing method have little to no incentive to submit their certification form. As a result, some applicants that use the BEAR invoicing method are unable to receive reimbursement where their service providers fail to timely submit the form even when they have complied with program requirements.²²⁴

78. To address this issue and codify this requirement, we propose to require service providers to file the FCC Form 473 with USAC by June 30 of the applicable funding year. We seek comment on this proposal and whether establishing a deadline for the FCC Form 473 would provide greater certainty to applicants and ensure the timely processing of BEAR invoices. To the extent commenters agree with our proposal, does setting the deadline to June 30 of the applicable funding year provide service providers sufficient time to file the form? Should service providers be given more or less time to file the form? Why or why not? We also invite comment on whether we should modify our rules to allow applicants to select a different service provider when the original one refuses to file the form by the applicable deadline.²²⁵ What consequences should there be for failing to submit the FCC Form 473 by the June 30 deadline? Should, for example, service providers be barred from participating in the program until they come into compliance, similar to the non-compliance rules for CIPA certifications?²²⁶

79. *FCC Form 479 Revisions.* We propose adding the certification statements found on the FCC Form 471 applications to the FCC Form 479, which is currently used by consortium members to certify their compliance with CIPA. Specifically, we propose adding those certification statements around the program's rules and requirements that are not currently on the FCC Form 479, such as those related to entity eligibility and compliance with other program rules.²²⁷ In addition, we propose requiring consortium members to submit the FCC Form 479 within EPC prior to the consortium lead certifying the FCC Form 471.²²⁸ Currently, consortium leads are required to collect FCC Forms 479 from their consortium members to confirm compliance with limited program requirements; however, the consortium members do not certify to all of the certifications that the consortium lead certifies on the FCC Form 471 application, and the forms are routinely not submitted to USAC and are provided only upon request. As a result, USAC may not have timely access to information necessary to verify compliance by consortium members at the time the consortium FCC Form 471 is filed.²²⁹ Moreover, when a consortium member

²²² 47 CFR § 54.504(f) ("All service providers eligible to provide telecommunications and other supported services under this subpart shall submit annually a completed FCC Form 473 to the Administrator.").

²²³ See USAC, *File the FCC Form 473* (When to File FCC Form 473), <https://www.usac.org/e-rate/service-providers/step-3-winning-the-bid/fcc-form-473-filing/> (last visited June 2, 2026).

²²⁴ See, e.g., *Aurora Public Library; Schools and Libraries Universal Service Support Mechanism*, CC Docket 02-6, Order, 40 FCC Rcd 3044 (WCB 2025) (discussing the issue and directing USAC to implement a process to reimburse applicants whose service providers are unable to file the annual FCC Form 473).

²²⁵ See Appendix A (setting out proposed rules for the FCC Form 473). This option would only be available for non-recurring services where the service delivery deadline had not already passed.

²²⁶ See, e.g., 47 CFR § 54.520(d) (discussing failure to provide certifications) and § 54.520(e) (discussing failure to comply with the certifications).

²²⁷ See Appendix A (proposed rules).

²²⁸ See USAC, *EPC Administrative Window*, <https://www.usac.org/e-rate/resources/e-rate-productivity-center/epc-administrative-window/> (last visited June 2, 2026).

fails to comply with a program rule, the consortium lead that made the certification may not be the appropriate party from whom to recover the funding, and it is challenging to ensure enforcement of program rules falls on the appropriate E-Rate program entity.²³⁰

80. To ensure all entities benefitting from E-Rate support are subject to comparable certification requirements and to reduce administrative inefficiencies, we now propose to require consortium members to certify to their own compliance with E-Rate program rules on the FCC Form 479 prior to the consortium filing the FCC Form 471 application. Would requiring consortium members to submit an electronic version of the form in EPC be simpler than the consortium lead collecting and submitting the forms? We seek comment on adopting these requirements and our tentative conclusion that adopting them would promote greater parity between consortium and non-consortium applicants by requiring consortium members to certify to compliance with the same requirements as those non-consortium applicants do. Would adopting these requirements impose additional administrative burdens on consortium leads or consortium members? If so, are the burdens outweighed by the benefits of increased oversight and accountability? Should we adopt a 14-day grace period consistent with the grace period applied to the FCC Form 471, Description of Services Ordered and Certification Form?²³¹

81. *Other Form Revisions.* Consistent with our proposal related to the FCC Form 479, and to ensure greater transparency and clarity, we propose to incorporate into the Commission's rules all certification statements currently required as part of the submission of our E-Rate program forms, including those on the FCC Forms 470, 471, 472, 473, and 474.²³² While certifying to compliance with program rules is already required of program participants, not all these certification statements are codified in the rules. We therefore propose to incorporate these statements into our rules as a ministerial update to provide program participants with clarity around their obligations and ensure that our rules fully reflect those requirements with which applicants and service providers must comply. We also propose to make the certification language used across all forms consistent, where applicable, to avoid confusion.²³³ In so doing, we seek to align the Commission's rules with existing requirements and ensure consistent language is used across all E-Rate program forms without imposing any new or substantive obligations on program participants. We seek comment on these proposals.

82. Finally, consistent with the proposed consultant certification and disclosure form certifications discussed above, we propose requiring E-Rate applicants and service providers to certify that they have knowledge of the E-Rate program rules when they are certifying to compliance with the

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²²⁹ See USAC, *FCC Form 479 Filing*, available at <https://www.usac.org/e-rate/applicant-process/before-you-begin/consortia/fcc-form-479-filing/> (last visited June 2, 2026) (explaining that the purpose of the FCC Form 479 is to notify the consortium leader of the member's compliance with the Children's Internet Protection Act).

²³⁰ See, e.g., USAC, *Schools and Libraries Program News Brief* (Mar. 17, 2017), <https://www.usac.org/slnewsbriefs/2017/News-Brief-2017-03-17.pdf> (noting that consortium leads would not be held financially liable for funding that is based on incorrect data entered by a school or library consortium member). By requiring consortium members to annually certify their compliance with the E-Rate program rules, issues regarding who is liable for rule violations will be resolved and could include the consortium lead and/or the consortium member depending on the violation.

²³¹ See, e.g., *Requests for Waiver and Review of Decisions of the Universal Service Administrator by Academy of Math and Science et al.; Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 25 FCC Rcd 9256, 9259, para. 8 (2010) (finding special circumstances existed to justify granting waiver requests where, for example, petitioners filed their FCC Forms 471 within 14 days of the filing window deadline); Letter from Rachel Schemlin, Chairperson, State E-Rate Coordinators' Alliance (SECA), to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-133 et al., at 3 (filed June 18, 2026) (SECA *Ex Parte*) (seeking a 120-day grace period).

²³² See Appendix A (proposed rules).

²³³ See Appendix A (proposed rules).

rules by modifying all applicable FCC form certification statements accordingly.²³⁴ For the FCC Form 474, we also propose to add a certification that the eligible school, library, or consortium has received the services and equipment that are being invoiced to USAC and a certification acknowledging that false statements on the FCC Form 473 may lead to violations under the Communications Act, violations of 18 U.S.C. §§ 1001, 1343, violations of the False Claims Act, and suspension and debarment by the Commission.²³⁵ We seek comment on these proposals.

83. *Cost-Effectiveness Requirements.* Finally, we seek comment on additional measures to help ensure applicants select cost-effective services in situations where one or no bids are received in response to an FCC Form 470. Although the Commission's rules require applicants to select the most cost-effective offering,²³⁶ limited competition in these instances may reduce the effectiveness of existing safeguards and increase the risk that E-Rate support does not reflect market-based pricing. To address these concerns, we seek comment on whether the Commission should adopt additional measures in circumstances where competitive bidding yields one or no bids. We expect the recently adopted competitive bidding portal will assist the Commission and USAC in providing transparency into whether there are patterns or characteristics of entities that receive one or no bids.²³⁷ In addition to this transparency, should the Commission, for example, consider limiting the profit margins of resellers by capping the reimbursement amount at or near the underlying carrier or manufacturer cost? Should the applicant be required to justify the higher cost of the reseller or be responsible for the difference in pricing between the underlying carrier/manufacturer and the reseller? Alternatively, to what extent should the Commission and USAC leverage available pricing information available in USAC's Open Data to create reimbursement caps for certain eligible services and equipment in specific geographic locations?²³⁸ We seek comment on the feasibility of these approaches and their potential effects on competition and participation in the program. In particular, we invite comment on whether these measures would promote cost-effective purchasing without discouraging service providers from serving high-cost or rural areas. We also seek comment on whether other rule changes or safeguards could better ensure cost-effective outcomes when one or no bids are received, or when the services are more challenging to compare, including whether we should require additional documentation such as pricing justifications in such circumstances.

84. For instance, we are concerned about the ability to review the cost effectiveness of contracts for managed internal broadband services (MIBS) and whether it should continue to be a supported service within the E-Rate program. We seek comment, and specific proposals, on how the Commission should define and ensure cost-effective purchasing for these services. For example, should reimbursement for MIBS services be limited to the number of hours worked with the requirement that tickets for work requested/performed and hours worked be included with requests for reimbursement? What information should applicants include in an FCC Form 470 or request for proposal document when requesting MIBS to ensure bidders have sufficient information to submit a responsive bid and applicants can effectively compare bids to select the most cost-effective service offering? Would requiring applicants to compare bids on internal connections directly with those of a MIBS bid help safeguard applicants and the E-Rate program from MIBS providers offering contracts at rates that exceed the value

²³⁴ See Appendix A (proposed rules).

²³⁵ See Appendix A (proposed rules).

²³⁶ 47 CFR § 54.511(a).

²³⁷ See *Promoting Fair and Open Competitive Bidding in the E-Rate Program, Schools and Libraries Universal Service Support Mechanism*, WC Docket No. 21-455, CC Docket No. 02-6, Report and Order and Order on Reconsideration, FCC 26-30 (May 1, 2026) (*Competitive Bidding Portal Report and Order*).

²³⁸ See Universal Service Administrative Company, *USAC Open Data*, <https://opendata.usac.org/> (last visited June 2, 2026) (providing USF-related program data, including E-Rate program data, such as data on E-Rate commitments and invoices).

of the network itself? We expect that smaller schools and libraries may need to weigh the cost of managing a network, and we would expect larger districts with their own information technology staff to have a simple comparison. Alternatively, should we limit eligibility of MIBS to schools and libraries of a certain size instead of eliminating it as a supported service? We seek comment on these questions.

85. *Lowest Corresponding Price (LCP)*. The Commission's LCP rule requires service providers to offer equipment and services to E-Rate eligible schools and libraries at prices less than or no higher than the lowest price the service provider charges similarly situated non-residential customers for the same or similar equipment or services.²³⁹ Service providers must make the equipment and services available to all schools and libraries in any geographic service area in which they serve.²⁴⁰ A service provider's geographic service area is defined as the area in which the service provider is seeking to serve customers with any of its E-Rate eligible equipment or services.²⁴¹ Similar services include equipment and services provided under contract, as well as equipment and services provided under tariff.²⁴² Service providers may not avoid the obligation to offer the LCP by arguing that none of their non-residential customers are identically situated to a school or library or that none of their service contracts cover equipment or services identical to those sought by a school or library.²⁴³ The LCP rule ensures that a lack of experience in negotiating in a competitive telecommunications service market does not prevent a school or library from receiving competitive, cost-based prices or pricing in bids.²⁴⁴ Moreover, the LCP rule protects schools, libraries, and the USF from paying artificially inflated prices.

86. We first seek comment on the clarity and scope of the LCP rule.²⁴⁵ Acknowledging that the E-Rate program has evolved significantly since it was implemented, we invite commenters to refresh

²³⁹ 47 CFR §§ 54.500 (“‘Lowest corresponding price’ is the lowest price that a service provider charges to non-residential customers who are similarly situated to a particular school, library, or library consortium for similar services”); 54.511(b); *see also* 47 U.S.C. § 254(h)(1)(B).

²⁴⁰ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9032, para. 486 (1997) (*Universal Service First Report and Order*); *see also* 47 U.S.C. § 254(h)(1)(B).

²⁴¹ *Universal Service First Report and Order*, 12 FCC Rcd at 9032-33, paras. 486-87.

²⁴² *Universal Service First Report and Order*, 12 FCC Rcd at 9032, para. 485.

²⁴³ *Universal Service First Report and Order*, 12 FCC Rcd at 9033, para. 488.

²⁴⁴ *Universal Service First Report and Order*, 12 FCC Rcd at 9031-32, paras. 484-485; *see Fourth Order on Reconsideration*, 13 FCC Rcd at 5398, para. 133.

²⁴⁵ The Commission previously sought comment on the scope and meaning of the LCP rule following a petition from the United States Telecom Association and CTIA – The Wireless Association (Petitioners). *WCB Seeks Comment on Petition of United States Telecom Association and CTIA - The Wireless Association for Declaratory Ruling Clarifying Certain Aspects of the “Lowest Corresponding Price” Requirement of the Schools and Libraries Universal Service Program*, CC Docket No. 02-6, Public Notice, 25 FCC Rcd 3662 (WCB 2010). Specifically, Petitioners requested that the Commission clarify that: (1) the lowest corresponding price obligation applies only to competitive bids submitted by a provider in response to an FCC Form 470; (2) the lowest corresponding price obligation is not a continuing obligation that entitles a school or library to constantly recalculate the lowest corresponding price during the term of a contract; (3) there are no specific procedures that a service provider must use to ensure compliance with the lowest corresponding price obligation; (4) in determining whether a service bundle complies with the lowest corresponding price obligation, discrete elements in such bundles need not be individually compared and priced; and (5) in a challenge regarding whether a provider's bid satisfies the lowest corresponding price obligation, the initial burden falls on the challenger (i.e., a school or library) to demonstrate a *prima facie* case that the bid is not the lowest corresponding price. *Petition of United States Telecom Association and CTIA – The Wireless Association® for Declaratory Ruling Clarifying Certain Aspects of the “Lowest Corresponding Price” Obligation of the Schools and Libraries Universal Service Program*, WC Docket No. 02-6 (filed Mar. 19, 2010) (USTelecom/CTIA Petition). Although the petition was discussed in a subsequent NPRM, it has not been revisited since that NPRM. *See Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Notice of Proposed Rulemaking, 28 FCC Rcd 11304, 11359-60, para. 210 (2013).

the record on how we should clarify the scope and meaning of the LCP rule. Are there ways to streamline and make the application of the rule more transparent? For example, should we make the rates that service providers charge E-Rate eligible schools and libraries for E-Rate eligible services and equipment more easily available to the public (e.g., in an annual or other report, or in an LCP-specific public database) so that schools and libraries can review the rates and ensure they are being charged the LCP? Should we require that the LCP be the median of all available rates for functionally similar services? Are there other benchmarks we can use to determine the LCP? Should we continue to rely on service providers to determine the LCP or should we reassign that task to the Universal Service Administrative Company (USAC)? Should the LCP continue to set the ceiling for a service provider's pre-discount price when it submits a bid in response to an FCC Form 470 E-Rate competitive bidding form posted by a school or library? In areas where there is only one service provider that submits a bid response, should the service provider's LCP continue to constitute the pre-discount price?

87. We next seek comment on whether the LCP rule is sufficiently clear or whether there are changes the Commission should make to clarify the rule. For example, the rule does not define the term "similarly situated." How should we define the term to prevent service providers from circumventing the rule by claiming that they have no similarly situated customers? Should the Commission clarify how it determines what constitutes "similar services" under the LCP rule? In the Rural Health Care Telecommunications (Telecom) Program, the Commission places the burden of identifying what constitutes "similar services" on USAC and requires that whether a service is "similar" be determined from the perspective of the end user, rather than based on the technical similarity of the services.²⁴⁶ Should the Commission adopt the Telecom Program's approach for determining similar services? Is there another or different approach we should adopt for determining whether a service is "similar" to a service provider's existing services for purposes of the E-Rate program? We invite commenters to suggest approaches that would be feasible to use to determine whether a service provider is providing "similar service" for purposes of the E-Rate program.

88. We also seek comment on if or how we should modify the E-Rate rules and enforcement practices to deter violations of the LCP rule and hold service providers accountable when they are found to have violated the rule. Under the current LCP rule, detecting violations can be challenging, and non-compliance may not be immediately identified. How can we ensure the timely detection of LCP rule violations to avoid problems enforcing them within the applicable statute of limitations?²⁴⁷ Service providers that participate in the E-Rate program are required to annually file an FCC Form 473 (Service Provider Annual Certification (SPAC) Form) on which they certify their compliance with E-Rate program rules.²⁴⁸ In addition, service providers are required to certify their compliance with E-Rate program rules on their FCC Forms 474 (Service Provider Invoice (SPI) Form) when they seek reimbursement from the E-Rate program for equipment and services provided to E-Rate eligible schools and libraries.²⁴⁹ Currently, neither the FCC Form 471 nor the FCC Form 473 contain any LCP-specific certifications. Should LCP-specific certifications be added to one or both forms? Should service providers be required to explicitly certify, for example, that they complied with the LCP rule? Should service providers be required to attest that they have policies and procedures in place to ensure compliance with the LCP rule? Are there any other elements the LCP rule certification should contain? When non-compliance with the LCP rule is identified, is there additional information that the Commission or USAC should provide in their Notices of Apparent Liability (NAL) or Beneficiary and Contributor Audit Program (BCAP) and

²⁴⁶ *Promoting Telehealth in Rural America*, WC Docket No. 17-310, Report and Order, 34 FCC Rcd 7335, 7343, paras. 14-15 (2019).

²⁴⁷ See, e.g., *BellSouth Telecommunications, LLC, d/b/a/ AT&T Southeast*, Order, 35 FCC Rcd 8940 (2020) (*BellSouth Order*).

²⁴⁸ 47 CFR § 54.504(f).

²⁴⁹ 47 CFR § 54.504(a).

Payment Quality Assurance (PQA) program audit reports, respectively, to ensure that service providers understand the basis for recovery and are able to respond appropriately? Are there other changes that USAC should make to its BCAP and PQA audit practices to ensure that service providers are able to respond appropriately and to adjust practices to ensure future compliance? A failure to charge rates in compliance with the LCP rule has previously been found not to be continuing in nature because the apparent violations were perfected when each allegedly non-compliant invoice was issued.²⁵⁰ Should we codify the circumstances under which an LCP rule violation would be considered continuous? Is there a transparent approach for applying a continuing violation theory to failures to charge the lowest corresponding price?

C. Deleting Emergency Connectivity Fund Program Rules

89. Finally, we seek comment on deleting many of the ECF program rules from the Code of Federal Regulations (CFR). In 2021, the Commission adopted rules for the ECF to distribute \$7.171 billion in funding to eligible schools and libraries.²⁵¹ The Commission and USAC opened three application filing windows, during which applicants could request funding for eligible equipment and services received or delivered during the applicable funding periods.²⁵² Applications for ECF support were required to be filed during one of the application filing windows.²⁵³ On May 11, 2023, the COVID-19 public health emergency expired, triggering the sunset date of June 30, 2024 for the ECF program.²⁵⁴ All ECF purchases of eligible equipment and services had to be completed by this date.²⁵⁵ Therefore, we propose to delete the portions of the ECF program rules that are no longer serving an ongoing function from the CFR.²⁵⁶ For the remaining ECF program rules, we propose to delegate to the Bureau the authority to delete those rule sections when they are no longer needed.

90. This proposal is consistent with the *Delete, Delete, Delete* proceeding's goal to "review [the Commission's] rules to identify and eliminate those that are unnecessary in light of current circumstances."²⁵⁷ As the applicable funding periods have passed, there are no new applicants or service providers in the program. We therefore propose to delete sections 54.1700-10, 1712, and 1716 of Subpart Q, which govern portions of the ECF program that have already occurred.²⁵⁸ Our proposal to delete these ECF program rules is not intended to impact the Commission's, USAC's, or other enforcement agencies' authority to review compliance with program rules during the times that they were relevant. We therefore intend that ECF participants continue to retain documentation and produce such documentation when requested in accordance with the ECF rules for the applicable ECF funding periods.²⁵⁹ We seek comment

²⁵⁰ *BellSouth Order*, 35 FCC Rcd at 8942, para. 8.

²⁵¹ *See generally Establishing the Emergency Connectivity Fund to Close the Homework Gap*, WC Docket No. 21-93, Report and Order, 36 FCC Rcd 8696 (2021) (*Emergency Connectivity Fund Report and Order*).

²⁵² *See* 47 CFR § 54.1710; *Emergency Connectivity Fund Report and Order*, 36 FCC Rcd at 8734, 8737, paras. 78, 83.

²⁵³ *See* 47 CFR §§ 54.1708(b), 54.1710(a).

²⁵⁴ *See Wireline Competition Bureau and Office of the Managing Director Provide Guidance on Emergency Connectivity Fund Program Upon Termination of the Emergency Period*, WC Docket No. 21-93, Public Notice, 38 FCC Rcd 4282, 4284 (WCB 2023) (*ECF Sunset Public Notice*); *see also* H.R. 1319, tit. VII, § 7402(d)(5)(B).

²⁵⁵ *Id.*

²⁵⁶ *See* 47 CFR §§ 54.1700 *et seq.* (ECF program rules).

²⁵⁷ *See In Re: Delete, Delete, Delete*, GN Docket No. 25-133, Public Notice, FCC Rcd 1601 (2025).

²⁵⁸ *See* 47 CFR §§ 54.1700-10, 54.1712, 54.1716.

²⁵⁹ *See, e.g.*, 47 CFR § 54.1715 (requiring retention of documentation to demonstrate program compliance, including equipment and service inventories, for a period of at least ten years from the last date of service or delivery of

(continued....)

on whether it is necessary to retain codified rules requiring retention and production of documentation.

91. Second, we propose to delegate to the Bureau the authority to delete the remaining ECF program rules when they are no longer needed. For instance, section 54.1713 governs the treatment, resale, and transfer of equipment for three years after the purchase with ECF funding. Under this proposal, the Bureau could delete this rule in 2027, after all equipment is considered obsolete. We seek comment on these and any other ECF rules that are still relevant for some portion of ECF participants. We seek comment on these proposals and whether deletion of any of the other ECF rules will impact any enforcement, recovery actions, invoicing, or appeals.

V. PROCEDURAL MATTERS

92. *Filing Requirements.* Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. All filings must refer to WC Docket Nos. 26-XXX, 21-455, 21-93, and 13-184.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <https://www.fcc.gov/ecfs>.²⁶⁰
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by commercial courier, or by first class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Federal Communications Commission.
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD, 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

93. *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice).

94. *Ex Parte Rules.* This proceeding shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.²⁶¹ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must: (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made; and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments

(Continued from previous page) _____
equipment); *id.* § 54.1714 (requiring participants to be subject to audits and investigations, and permitting deidentification of records when necessary for compliance with federal or state privacy laws).

²⁶⁰ See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

²⁶¹ See 47 CFR §§ 1.1200 *et seq.*

already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with section 1.1206(b) of the Commission's rules. In proceedings governed by section 1.49(f) of the rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must, when feasible, be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf).²⁶² Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

95. *Regulatory Flexibility Act.* The Regulatory Flexibility Act of 1980, as amended (RFA),²⁶³ requires that an agency prepare a regulatory flexibility analysis for notice-and-comment rulemaking proceedings, unless the agency certifies that "the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities."²⁶⁴ Accordingly, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA), concerning potential rule and policy changes contained in this *Notice and Further Notice of Proposed Rulemaking*. The IRFA is set forth in Appendix B. The Commission invites the general public, in particular small businesses, to comment on the IRFA. Comments must be filed by the deadlines for comments on the *Notice* indicated on the first page of this document, and must also have a separate and distinct heading designating them as responses to the IRFA.

96. *Paperwork Reduction Act Analysis.* This document may contain proposed new or modified information collections. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget to comment on any information collections contained in this document, as required by the Paperwork Reduction Act of 1995.²⁶⁵ In addition, pursuant to the Small Business Paperwork Relief Act of 2002, we seek specific comment on how we might further reduce the information collection burden for small business concerns with fewer than 25 employees.²⁶⁶

97. *Providing Accountability Through Transparency Act.* Consistent with the Providing Accountability Through Transparency Act, Public Law 118-9, a summary of this Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking will be available on <https://www.fcc.gov/proposed-rulemakings>.

98. *Further Information.* For further information about this proceeding, please contact Kristin Berkland of the Telecommunications Access Policy Division, Wireline Competition Bureau, at Kristin.Berkland@fcc.gov.

VI. ORDERING CLAUSES

99. Accordingly, IT IS ORDERED that, pursuant to the authority found in sections 1 through 4, 201-202, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151 through 154, 201 through 202, 254, 303(r), and 403, this Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking IS ADOPTED effective thirty (30) days after the publication of this

²⁶² *Id.* § 1.1206(b)(2)(i).

²⁶³ 5 U.S.C. §§ 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

²⁶⁴ *Id.* § 605(b).

²⁶⁵ 44 U.S.C. §§ 3501-3521.

²⁶⁶ *Id.* § 3506(c)(4).

Further Notice of Proposed Rulemaking in the Federal Register.²⁶⁷

100. IT IS FURTHER ORDERED that the Commission's Office of the Secretary, SHALL SEND a copy of the *Notice of Proposed Rulemaking* and *Further Notice of Proposed Rulemaking*, including the Initial Regulatory Flexibility Act Analysis, to the Chief Counsel for the Small Business Administration (SBA) Office of Advocacy.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

²⁶⁷ Pursuant to Executive Order 14215, 90 Fed. Reg. 10447 (Feb. 24, 2025), this regulatory action has been determined to be significant under Executive Order 12866, 58 Fed. Reg. 51735 (Oct. 4, 1993).

APPENDIX A Proposed Rules

For the reasons discussed above, the Federal Communications Commission proposes to amend 47 CFR part 54 as follows:

The authority citation for part 54 continues to read as follows:

Authority: 47 U.S.C. 151, 154(i), 155, 201, 205, 214, 219, 220, 229, 254, 303(r), 403, 1004, 1302, 1601-1609, and 1752, unless otherwise noted.

Subpart F—Universal Service Support for Schools and Libraries

1. Section 54.500 is amended as follows:

§ 54.500 Terms and Definitions

Consultant. A consultant is any non-employee working on behalf of a school, library, consortium that includes an eligible school or library, or service provider that participates in or is seeking to participate in the E-Rate program and who assists the school, library, consortium that includes an eligible school or library, or service provider, whether or not for a fee, with any aspect of participating in the E-Rate program, including, but not limited to, the application, competitive bidding, or disbursement processes. Examples of work performed by a consultant for purposes of this definition may include but are not limited to the planning, preparation, and submission of E-Rate applications or other E-Rate program forms; the planning and preparation of and/or assist with bids or bid evaluations; and responding to pre-commitment and/or post-commitment inquiries and audits, among other things. A “non-employee” of the applicant or service provider includes contractors or others who are employed by the applicant or service provider on a contract- or short-term basis and who do not receive a W-2 form from the applicant or service provider. An “non-employee” includes an employee, officer, representative, agent, or independent contractor of the consultant working on behalf of a school, library, consortium that includes an eligible school or library, or a service provider that participates in or is seeking to participate in the E-Rate program, including individuals who prepare, approve, sign, or submit E-Rate applications, or other forms related to the E-Rate program, or who prepare bid evaluations, bids, communicate or work with E-Rate service providers, other E-Rate consultants, or with the Administrator, as well as staff of such consultants responsible for monitoring compliance with E-Rate program rules.

2. Section 54.503 is amended by revising paragraphs (c)(2) and (c)(4) as follows:

§ 54.503 Competitive bidding requirements.

(c) Posting of FCC Form 470.

(2) The FCC Form 470 shall be signed by a person authorized to request bids for eligible services for the eligible school, library, or consortium, including such entities.

(i) A person authorized to request bids on behalf of the entities listed on an FCC Form 470 shall certify under oath:

(A) I certify that the applicant includes:

- (1) elementary school(s) and/or secondary school(s) as defined in 47 CFR § 54.500, that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- (2) libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act that do not operate as for-profit businesses and, except for the limited case of Tribal colleges or universities, their budgets are completely separate from any schools (including, but not limited to elementary and secondary schools, colleges, and universities).
- (B) I certify that this FCC Form 470 and any applicable request for proposal (RFP) will be available for review by potential bidders for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted will be carefully considered and the bid selected will be for the most cost-effective service or equipment offering, with price being the primary factor, and will be the most cost-effective means of meeting educational needs and technology goals.
- (C) I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I certify that I will retain all documents necessary to demonstrate compliance with the statute and with Commission rules regarding the form for, receipt of, and delivery of services receiving schools and libraries discounts. I acknowledge that I may be audited pursuant to participation in the schools and libraries program.
- (D) I certify that the entity or entities listed on this form have not received anything of value or a promise of anything of value, as prohibited by the commission's rules at 47 CFR § 54.503(d), other than services and equipment sought by means of this form, by the service provider, or by any representative or agent thereof or any consultant in connection with this request for service.
- (E) I acknowledge that support under this support mechanism is conditional upon the school(s) and/or library(ies) I represent securing access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity necessary to use the services purchased effectively.
- (F) I certify that I have reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that I have knowledge of and have complied with them.
- (G) I certify that I am authorized to submit this form on behalf of the eligible entity(ies) listed on this application, that I have examined this form, that all of the information on this form is true and correct to the best of my knowledge, that the entities listed on this form have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone.
- (H) I acknowledge that persons making any false statements on this form may be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations of the False Claims Act, and suspension and debarment by the Commission.
- (I) I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from

the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

(ii) A person authorized to both request bids and order services on behalf of the entities listed on an FCC Form 470 shall, in addition to making the certifications listed in paragraph (C)(2)(i) of this section, certify under oath that:

- (A) I certify that this FCC Form 470 and any applicable request for proposal (RFP) will be available for review by potential bidders for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted will be carefully considered and the bid selected will be for the most cost-effective service or equipment offering, with price being the primary factor, and will be the most cost-effective means of meeting educational needs and technology goals.
- (B) I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 CFR § 54.500, and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 CFR § 54.513.
- (C) I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the form for, receipt of, and delivery of services receiving schools and libraries discounts. I acknowledge that I may be audited pursuant to participation in the schools and libraries program.
- (D) I certify that the entity or entities listed on this form have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 CFR § 54.503(d), other than services and equipment sought by means of this form, by the service provider, or by any representative or agent thereof or any consultant in connection with this request for services.
- (E) I acknowledge that support under this support mechanism is conditional upon the school(s) and/or library(ies) I represent securing access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that I have considered what financial resources should be available to cover these costs. I certify that I am authorized to procure eligible services for the eligible entity(ies).
- (E) I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this form, that I have examined this form, and all the information on this form is true and correct to the best of my knowledge, that the entities listed on this form have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone.

(3) * * *

- (4) After posting on the Administrator's Web site an eligible school, library, or consortium FCC Form 470, the Administrator shall send confirmation of the posting to the entity requesting service. That entity shall wait at least 28 days from the date on which its description of services is posted on the Administrator's Web site before making commitments with the selected providers of services. The confirmation from the Administrator shall include the date after which the requestor may sign a contract or legally binding agreement with its chosen providers, known as the Allowable Contract Date (ACD). Applicants are not permitted to rely on an existing contract or legally binding agreement that was signed or agreed to prior to the ACD established by the description of services requested.

3. Section 54.504 is amended by revising paragraphs (a), (d), and (f) and adding paragraph (h) as follows:

§ 54.504 Requests for services.

(a) *Filing of FCC Form 471.* An eligible school, library, or consortium that includes an eligible school or library seeking to receive discounts for eligible services under this subpart shall, upon entering into a signed contract or other legally binding agreement for eligible services, submit a completed FCC Form 471 to the Administrator.

- (1) The FCC Form 471 shall be signed by the person authorized to order eligible services for the eligible school, library, or consortium and shall include that person's certification under oath:

(i) I certify that the entities listed in this application are eligible for support because they are schools under the statutory definitions of elementary and secondary schools found in 47 CFR § 54.500, that do not operate as for-profit businesses and do not have endowments exceeding \$50 million, and/or they are libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act that do not operate as for-profit businesses and, except for the limited case of Tribal colleges or universities, their budgets are completely separate from any schools, including, but not limited to, elementary, secondary schools, colleges, or universities.

(ii) I certify that I represent the entity or entities listed on this application.

(iii) Except as exempted by § 54.503(e), I certify that an FCC Form 470 was posted and that any related request for proposal (RFP) was made available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted were carefully considered and the most cost-effective service offering was selected, with price being the primary factor considered, and is the most cost-effective means of meeting educational needs and technology goals. I certify that there are signed contracts or other legally binding agreements covering all of the services listed on this FCC Form 471 except for those services provided under non-contracted tariffed or month-to-month arrangements.

(iv) I certify that the entity responsible for selecting the service provider(s) has reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities listed on this application have complied with them.

(v) I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 CFR § 54.500, and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 CFR § 54.513.

(vi) I certify that the entity(ies) listed on this application have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 CFR § 54.503(d), other than services and equipment sought by means of this form, by the service provider, or by any representative or agent thereof or any consultant in connection with this request for services.

(vi) I certify that I and the entity(ies) I represent have knowledge of and have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities and suspension and debarment by the Commission.

(vii) I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

(viii) I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to my participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC and the Commission, including its Office of Inspector General.

(ix) I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies) listed on this application. I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this application; that I have examined this request; that all of the information on this form is true and correct to the best of my knowledge; that the entities that are receiving discounts pursuant to this application have complied with the terms, conditions and purposes of the program; that no kickbacks were paid to anyone; and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations of the False Claims Act, and suspension and debarment by the Commission.

(x) I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

(xi) I certify that if any of the Funding Requests on this FCC Form 471 are for discounts for products or services that contain both eligible and ineligible components, that I have allocated the eligible and ineligible components as required by the Commission's rules at 47 CFR § 54.504.

(xii) I certify that the non-discount portion of the costs for eligible services will not be paid by the service provider. The pre-discount costs of eligible services featured on this FCC Form 471 are net of any rebates or discounts offered by the service provider. I acknowledge that, for the purpose of this rule, the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product will be considered a rebate of some or all of the cost of the supported services.

(xii) *Competitive Bidding Exemption Certifications.* If a school, library, or consortium is requesting services that are exempt from posting an FCC Form 470 under § 54.503(e), the authorized person will certify under penalty of perjury to one or more of these certifications:

(A) I certify that I selected an eligible commercially available business-class Internet access service exempt from the requirement to post an FCC Form 470.

(B) I certify that I represent an eligible library and I selected eligible Category Two equipment and services exempt from the requirement to post an FCC Form 470.

(C) I certify that I ordered eligible Category Two equipment from a preferred master contract exempt from the requirement to post an FCC Form 470.

(xiii) I certify that as of the date of the start of the discounted services the recipient(s) of service under my authority and represented in the Funding Request Number(s) for which funding was requested or received: (1) have complied with the requirements of the Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (l); (2) are undertaking actions to comply with the requirements of Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (l), for the next funding year, but has not completed all requirements for this funding year; or (3) Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (l), does not apply because the recipient(s) of service are receiving discount services only for telecommunications services.

(2) * * *

(b) * * *

(c) * * *

(d) *Service substitution.*

(1) A request by an applicant to substitute a service or product for one identified on its FCC Form 471 must be in writing.

(2) The Administrator shall approve such written request where the applicant certifies under penalty of perjury that:

(i) The service or product has the same functionality;

(ii) The substitution does not violate any contract provisions or state, local, or Tribal procurement law;

(iii) The substitution does not result in an increase in the percentage of ineligible services or functions; and

(iv) The requested change is either:

(A) within the scope of the controlling FCC Form 470, including any associated Request for Proposal, for the original services; or

(B) the result of an unanticipated need for additional bandwidth and the applicant will seek competitive bids prior to the next funding year if the applicant plans to continue to receive the additional bandwidth.

(3) In the event that a service substitution results in a change in the pre-discount price for the supported service, support shall be based on the lower of either the pre-discount price of the service for which support was originally requested or the pre-discount price of the new, substituted service. Reimbursement for substitutions shall only be provided after the Administrator has approved a written request for substitution.

(4) For purposes of this rule, the two categories of eligible services are not deemed to have the same functionality as one another.

(e) * * *

(f) *Filing of FCC Form 473.* All service providers eligible to provide telecommunications and other supported services under this subpart shall submit annually a completed FCC Form 473 to the Administrator by no later than June 30 of the applicable funding year. The FCC Form 473 shall be signed by an authorized person and shall include that person's certification under oath that:

(1) I am authorized to submit this Service Provider Annual Certification Form on behalf of the above-named Service Provider, which has been assigned the above-referenced Service Provider Identification Number, and that based on information known to me or provided to me by employees responsible for the data being submitted, I hereby certify that the data set forth in this Form has been examined and reviewed and is true, accurate and complete. I acknowledge that any false statement on this Form or on the Service Provider Invoice Form (FCC Form 474) can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503 (b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.

(2) I certify that the Service Provider Invoice Forms (FCC Form 474) that are submitted by this Service Provider contain requests for universal service support for services which have been billed to the Service Provider's customers on behalf of schools, libraries, and consortia of those entities, as deemed eligible for universal service support by the Administrator.

(3) I certify that the bills or invoices issued by this Service Provider to the Billed Entity are for equipment and services eligible for universal service support by the Administrator and exclude any charges previously invoiced to the Administrator by the Service Provider.

(4) I certify that this Service Provider permits the Billed Entity/Applicant to choose the method of payment for the discounted services from those methods approved by the Administrator as set forth in 47 CFR § 54.514(c).

(5) I certify that any requests for reimbursement that are sought under a Service Provider Invoice Form (FCC Form 474) for discounts for products or services that contain both eligible and ineligible components are properly allocated and removed from the funding request as required by the Commission's rules at 47 CFR § 54.504(e).

(6) I certify that the invoices that are submitted by this Service Provider to the Billed Entity for reimbursement pursuant to Billed Entity Applicant Reimbursement Forms (FCC Form 472) are accurate and represent payments from the Billed Entity to the Service Provider for equipment and services provided pursuant to schools and libraries universal service program rules.

(7) I certify that this Service Provider makes available to customers, upon their request, separate prices for distinct services to assist Billed Entity Applicants in identifying the portions of their bills that represent the costs of services provided to eligible entities for eligible purposes.

(8) I certify that no non-discount portion of the costs for eligible services will be waived, paid, or promised to be paid by this Service Provider. I acknowledge that an eligible school, library, or consortium may not receive rebates for service or products purchased with universal service support and the provision by any service provider of a supported service or product, or of free services or products unrelated to the supported service or product constitutes a rebate of the non-discount portion of the supported services or product as stated in 47 CFR § 54.523.

(9) I certify that no kickbacks were paid by this Service Provider to anyone in connection with the schools and libraries universal service program.

(10) I certify that this Service Provider is in compliance with the Commission's rules and orders regarding gifts and this Service Provider has not directly or indirectly offered or provided any gifts, gratuities, favors, entertainment, loans, or any other thing of value to any eligible schools, libraries, or consortium that includes eligible schools or libraries, or any of their consultants or representatives, except as permitted by the Commission's rule at 47 CFR § 54.503(d).

(11) I certify that if the Administrator, as necessary, requests additional supporting information, this Service Provider will make all documents requested available to the Administrator as required by 47 CFR § 54.516(b). I certify that this Service Provider will retain for at least 10 years (or whatever retention period is required by the Commission's rules in effect at the time of this certification), after the latter of the last day of the applicable funding year or the service delivery deadline for the funding requests, (1) any and all records that I rely upon to complete this form and each Service Provider Invoice Form (FCC Form 474) that is submitted by this Service Provider during the present funding year, (2) any and all records issued by this Service Provider to the Billed Entity for reimbursement pursuant to Billed Entity Applicant Reimbursement Forms (FCC Form 472), and (3) all documents necessary to demonstrate compliance with the statutory or regulatory requirements for the schools and libraries universal service support program as required by 47 CFR § 54.516(a)(2). I acknowledge that this Service Provider may be audited pursuant to 47 CFR § 54.516(c), and that the Service Provider must provide such records as required by 47 CFR § 54.516(b).

(12) I certify that the prices in any offer that this Service Provider makes pursuant to the schools and libraries universal service support program have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered.

(13) I certify that the prices in any offer that this Service Provider makes pursuant to the schools and libraries universal service support program will not be knowingly disclosed by this Service Provider, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law.

(14) I certify that no attempt will be made by this Service Provider to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(15) I certify that this Service Provider is not suspended or debarred from participating in Federal programs.

(16) I certify that, in addition to the foregoing, this Service Provider has knowledge of and is in compliance with the rules and orders governing the schools and libraries universal service support program, and acknowledges that failure to be in compliance and remain in compliance with those rules and orders may result in the denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with the rules and orders governing the schools and libraries universal service support program could result in civil or criminal prosecution by law enforcement authorities and suspension and debarment by the Commission.

(17) I certify that no universal service support has been or will be used to purchase, obtain, maintain, improve, modify, or otherwise support any equipment or services produced or provided by any company designated by the Federal Communications Commission as posing a national security threat to the integrity of communications networks or the communications supply chain since the effective date of the designations.

(18) I certify that no Federal subsidy made available through a program administered by the Commission that provides funds to be used for the capital expenditures necessary for the provision of advanced communications services has been or will be used 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, as required by 47 CFR § 54.10.

(g) * * *

(h) *Filing of FCC Form 479.* All consortium members eligible to receive support under this subpart shall annually submit a completed FCC Form 479 to the Administrator. The FCC Form 479 shall be signed by an authorized person for the consortium member and the entities represented, and shall include that person's certification under oath that:

(1) I certify that the entities are elementary and secondary schools as defined in 47 CFR § 54.500, do not operate as for-profit businesses, and do not have endowments exceeding \$50 million, or they are libraries eligible for assistance from a State library administrative agency under the Library Services and Technology Act, do not operate as for-profit businesses and, except for the limited case of Tribal colleges or universities, their budgets are completely separate from any schools, including, but not limited to, elementary, secondary schools, colleges, or universities.

(2) I certify that the entities have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that the entities have secured access to all of the resources to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. For entities that enter into installment payments with their service providers for the non-discounted portion of special construction costs, I certify that they are able to make all required installment payments.

(3) I certify that the services purchased at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 CFR § 54.500, and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 CFR § 54.513. Additionally, I certify the entities and I have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 CFR § 54.503(d), other than services and equipment sought by means of the funding application, by the service provider, or by any representative or agent thereof or any consultant in connection with this request for services.

(4) I certify, to the best of my knowledge, the non-discount portion of costs for the eligible services will not be paid by the service provider(s). I acknowledge that, for the purpose of this rule, the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product will be considered a rebate of some or all of the cost of the supported services.

- (5) I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services. I also certify that the information provided for the entities' discount level is accurate and true to the best of my knowledge.
- (6) I certify that the entities and I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge the entities and I may be audited pursuant to participation in the schools and libraries program. I certify that the entities and I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and will make such records available to the Administrator and the Commission, including its Office of Inspector General.
- (7) I certify that the entities and I have knowledge of and have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities and suspension and debarment by the Commission.
- (8) I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies). I certify that I am authorized to submit this request on behalf of the eligible entity(ies), that I have examined this form, that all of the information on this form is true and correct to the best of my knowledge, that the entities that are receiving discounts have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations of the False Claims Act, and suspension and debarment by the Commission.
- (9) I acknowledge that Commission rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities, or any person associated in any way with my entity and/or the entities, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.
- (10) I certify that as of the date of the start of the discounted services the recipient(s) of service under my authority and represented in the Funding Request Number(s) for which funding was requested or received: (1) have complied with the requirements of the Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (I); (2) are undertaking actions to comply with the requirements of Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (I), for the next funding year, but have not completed all requirements for this funding year; or (3) Children's Internet Protection Act, as codified at 47 U.S.C. § 254(h) and (I), does not apply because the recipient(s) of service are receiving discount services only for telecommunications services.

4. Section 54.514 is amended by adding paragraph (d) as follows:

§ 54.514 Payment for discounted services.

(a) * * *

(b) * * *

(c) * * *

(d) *Submission of request for reimbursement (FCC Form 472 or FCC Form 474).* Reimbursement for the costs associated with eligible services shall be provided directly to an eligible school, library, consortium that includes an eligible school or library, or service provider upon submission and approval of a completed FCC Form 471 (Billed Entity Applicant Reimbursement Form) or FCC Form 474 (Service provider Invoice Form) to the Administrator.

(1) The FCC Form 472 shall be signed by the person authorized to submit requests for reimbursement for the eligible school, library, or consortium, and shall include that person's certification under penalty of perjury that:

(i) I am authorized to submit this Billed Entity Applicant Reimbursement Form (FCC Form 474) on behalf of the above-named Billed Entity Applicant, and that based on information known to me or provided to me by employees responsible for the data being submitted, I hereby certify that the data set forth in this Form has been examined and reviewed and is true, accurate and complete. I acknowledge that any false statement on this Form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.

(ii) The discount amounts listed in this Billed Entity Applicant Reimbursement Form are accurate and represent charges for eligible services and/or equipment delivered to and used by eligible schools, libraries, or consortia of those entities for educational purposes.

(iii) The amounts listed in this Billed Entity Applicant Reimbursement Form were already billed by the Service Provider and paid for by the Billed Entity Applicant on behalf of eligible schools, libraries, and consortia of those entities.

(iv) The discount amounts listed in this Billed Entity Applicant Reimbursement Form are for eligible services and/or equipment approved by the Fund Administrator pursuant to a Funding Commitment Decision Letter (FCDL).

(v) I acknowledge that I may be audited and will retain for at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the latter of the last day of the applicable funding year or the service delivery deadline for the funding request any and all records that I rely upon to complete this form.

(vi) I certify that this Billed Entity/Applicant will make all documents requested available to the Administrator and the Commission, including its Office of Inspector General, as required by 47 CFR § 54.516(b).

(vii) I certify that, in addition to the foregoing, this Billed Entity Applicant has knowledge of and is in compliance with the rules and orders governing the schools and libraries universal service program, and I acknowledge that failure to be in compliance and remain in compliance with those rules and orders may result in the denial of discount funding and/or cancellation of funding commitments. I acknowledge that failure to comply with the rules and orders governing the schools and libraries universal service program could result in civil

or criminal prosecution by law enforcement authorities and suspension and debarment by the Commission.

- (2) The FCC Form 474 shall be signed by the person authorized to submit requests for reimbursement for the eligible school, library, or consortium, and shall include that person's certification under penalty of perjury that:
- (i) I am authorized to submit this Service Provider Invoice Form (FCC Form 474) on behalf of the above-named Service Provider, which has been assigned the above-referenced Service Provider Identification Number, and that based on information known to me or provided to me by employees responsible for the data being submitted, I hereby certify that the data set forth in this Form has been examined and reviewed and is true, accurate, and complete. I acknowledge that any false statement on this Form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.
 - (ii) I certify that the equipment and services included in this request for reimbursement have been provided or delivered to the eligible school, library, or consortium.
 - (iii) I certify that this Service Provider has knowledge of and is in compliance with the rules and orders governing the schools and libraries universal service program, and I acknowledge that failure to be in compliance and remain in compliance with those rules and orders may result in the denial of discount funding and/or cancellation of funding commitments.
 - (iv) I acknowledge that failure to comply with the rules and orders governing the schools and libraries universal service program could result in civil or criminal prosecution by law enforcement authorities and suspension and debarment by the Commission.
 - (v) I certify that the certifications made on the Service Provider Annual Certification Form (FCC Form 473) by this Service Provider are true and correct. I acknowledge that any false statement on the FCC Form 473 can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.

5. Section 54.516(a) is amended to read as follows:

§ 54.516 Auditing and inspections.

(a) *Recordkeeping requirements*—(1) *Schools, libraries, and consortia*. Schools, libraries, and any consortium that includes schools or libraries shall retain all documents related to the application for, receipt, and delivery of supported services for at least 10 years after the latter of the last day of the applicable funding year or the service delivery deadline for the funding request. Such documentation shall include, but not be limited to, all documents demonstrating a consultant's and/or consulting firm's compliance with program rules, letters of agency, consulting and fee agreements, and banking records showing payments to consultants and/or consulting firms. Any other document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. Schools, libraries, and consortia shall maintain asset and inventory records for a period of 10 years after purchase.

(2) *Service providers*. Service providers shall retain documents related to the delivery of supported services for at least 10 years after the latter of the last day of the applicable funding year or the service delivery deadline for the funding request. Such documentation shall include, but not be limited to, all

documents demonstrating a consultant's and/or consulting firm's compliance with program rules, letters of agency, consulting and fee agreements, and banking records showing payments to consultants and/or consulting firms. Any other document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well.

6. Section 54.517 is added as follows:

§ 54.517 Consultants.

- (a) *Filing of the FCC Form 5654.* All eligible schools, libraries, or consortia that include eligible schools or libraries seeking to receive discounts for eligible services under this subpart, and all service providers eligible to provide telecommunications and other supported services under this subpart, shall collect and submit to the Administrator an annual FCC Form 5654 to be completed by each of their consultants. Eligible schools, libraries, consortia, or service providers that do not use a consultant as defined in § 54.500 must also submit this form to the Administrator and certify that a consultant is not being used to perform any services related to the universal service schools and libraries support mechanism.
- (1) For schools, libraries, and consortia that include eligible schools or libraries, the FCC Form 5654 shall be signed by each consultant and include that person's certification under oath that:
- (i) I am authorized to submit this certification and that based on information known to me or provided to me by persons responsible for the data being submitted, I hereby certify that the data set forth in this certification has been examined and is true, accurate, and complete.
 - (ii) I certify that the schools that I represent are elementary and secondary schools as defined under 47 CFR § 54.500, may not operate as for-profit businesses, and may not have endowments exceeding \$50 million.
 - (iii) I acknowledge that each library that I represent must be eligible for assistance from a State Library administrative agency under the Library Services and Technology Act and may not operate as a for-profit business and its budget must be completely separate from any school, unless it is an eligible Tribal College or University library that also serves as a public library.
 - (iv) I acknowledge that the entities I represent must secure access to all of the resources, including training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the necessary resources are not eligible for support. I also acknowledge that the entities I represent must secure access to the resources needed to pay their non-discounted share of costs for the eligible equipment and services. I further acknowledge that the non-discounted share of costs cannot be paid for by any service provider and that provision of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.
 - (v) I acknowledge that the equipment and services purchased at discounts must be used for primarily educational purposes, see 47 CFR § 500, and must not be sold, resold, or transferred in consideration for money or any other thing of value, except as permitted by Commission's rules at 47 CFR § 54.513.
 - (vi) I acknowledge that the entities that I represent must conduct a fair and open competitive bidding process, pursuant to 47 CFR § 54.503, and must comply with all applicable state and local rules regarding the procurement of equipment and services for which support is being sought. I further acknowledge that the entities I represent must consider all bids received carefully and select the most cost-effective service offering using price of the

eligible equipment and services as the primary factor.

- (vii) I have not entered into any arrangements with others that may create an actual conflict of interest or the appearance of a conflict of interest as it relates to the entities that I represent and their participation in the program, including, for example, an arrangement with others who might seek to benefit from the competitive bidding process.
- (viii) I acknowledge that the entities that I represent must retain all required documentation demonstrating compliance with program rules for a period of 10 years after the later of the last day of the funding year or the service delivery deadline, whichever date is later. I acknowledge that the entities I represent may be audited pursuant to participation in the Schools and Libraries universal service support mechanism and that I will make such records available to the Administrator, the Commission, including its Office of Inspector General, and any other authorized representative upon request.
- (ix) I acknowledge that Commission's rules provide that persons who participate in the Schools and Libraries universal service support mechanism may be subject to suspension and debarment under the Commission's rules. I will institute reasonable measures to be informed, and will notify the Administrator should I be informed or become aware that any entities, or any persons associated with me or the entities I represent, is engaged in potential misconduct based on acts arising from their participation in the Schools and Libraries universal service support mechanism.
- (x) I certify that I have not entered into a fee arrangement with the entities that I represent that is based on a percentage of the contract(s) or disbursements received through the Schools and Libraries universal service support mechanism.
- (xi) I certify that I have entered into a letter of agency (LOA) or other similar agreement with each entity that I represent that includes the terms of my representation, and have submitted a copy to the Administrator with the submission of this form.
- (xii) I certify that I have not received any kickbacks, gifts, or other things of value, other than my contracted payment from the entities that I represent.
- (xiii) I certify that I have obtained a consultant registration number and have registered in the consultant registration database. I acknowledge that I must update the information provided in the database and submit an annual certification and disclosure form to the applicant or service provider that I am representing.
- (xiv) I certify that I have completed the initial and annual program and anti-fraud training and have reviewed and understood all training content covered. I certify that I have knowledge of and have complied with all program rules and I acknowledge that the failure to comply with program rules may result in denial of discount funding and/or cancellation of funding commitments of the entities that I represent. I acknowledge that failure to comply with program rules could also result in civil or criminal prosecution by the appropriate law enforcement agencies and suspension and debarment by the Commission.
- (xv) I certify that I am authorized to sign this certification and, to the best of knowledge, information, and belief, all information provided for the entities I represent regarding their participation in the Schools and Libraries universal service support mechanism is accurate and true, including information provided for any FCC form or in response to an inquiry from the Administrator, the Commission, or other authorized party. I acknowledge that any false statement on this Form or on other documents submitted by myself can be punished by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.

- (2) For service providers, the FCC Form 5654 shall be signed by each consultant and include that person's certification under oath that:
- (i) I am authorized to submit this certification and that based on information known to me or provided to me by persons responsible for the data being submitted, I hereby certify that the data set forth in this certification has been examined and is true, accurate, and complete.
 - (ii) I acknowledge that the entities that I represent must be compliant with the requirements of 47 CFR §§ 54.504(f), 54.511(b); 54.514(c), and 54.516, among other program requirements.
 - (iii) I acknowledge that the entities that I represent must retain all required documentation that demonstrates compliance with the rules for a period of 10 years after the later of the last day of the funding year or the service delivery deadline, whichever date is later. I acknowledge that the entities I represent may be audited pursuant to participation in the Schools and Libraries universal service support mechanism and that I will make such records available to the Administrator, the Commission, including its Office of Inspector General, and any other authorized representative upon request.
 - (iv) I acknowledge that Commission's rules provide that persons who participate in the Schools and Libraries universal service support mechanism may be subject to suspension and debarment under the Commission's rules. I will institute reasonable measures to be informed, and will notify the Administrator should I be informed or become aware that any entities, or any persons associated with me or the entities I represent, is engaged in potential misconduct based on acts arising from their participation in the Schools and Libraries universal service support mechanism.
 - (v) I certify that I have not entered into a fee arrangement with the entities that I represent that is based on a percentage of the contract(s) or disbursements received through the Schools and Libraries universal service support mechanism.
 - (vi) I certify that I have entered into a letter of agency (LOA) or other similar agreement with each entity that I represent that includes the terms of my representation, and have submitted a copy to the Administrator with the submission of this form.
 - (vii) I certify that I have not received any kickbacks, gifts, or other things of value, other than my contracted payment from the entities that I represent.
 - (viii) I certify that I have obtained a consultant registration number and have registered in the consultant registration database. I acknowledge that I must update the information provided in the database and submit an annual certification and disclosure form to the applicant or service provider that I am representing.
 - (ix) I certify that I have completed the initial and annual program and anti-fraud training and have reviewed and understood all training content covered.
 - (x) I certify that I have knowledge of and have complied with all program rules, and I acknowledge that the failure to comply with program rules may result in denial of discount funding and/or cancellation of funding commitments of the entities that I represent. I acknowledge that failure to comply with program rules could also result in civil or criminal prosecution by the appropriate law enforcement agencies and suspension and debarment by the Commission.
 - (xi) I certify that I am authorized to sign this certification and, to the best of knowledge, information, and belief, all information provided for the entities I represent regarding their participation in the Schools and Libraries universal service support mechanism is accurate and true, including information provided for any FCC form or in response to an

inquiry from the Administrator, the Commission, or other authorized party. I acknowledge that any false statement on this Form or on other documents submitted by myself can be punished by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.

(3) The FCC Form 5654 shall also include:

- (i) The name(s) of the consulting firm(s) and/or company(ies) with whom the consultant is currently working or associated and their associated registration number;
- (ii) Any association or relationship the consultant has that would potentially pose an actual or an appearance of a conflict of interest (e.g., an association or partnership with a service provider or vendor participating in the Schools and Libraries universal service support mechanism); and
- (iii) Consultant registration number (CRN).

(4) If a school, library, consortium of eligible schools and libraries, or service provider is not using a consultant as defined at § 54.500, the authorized person must submit the FCC Form 5654 and certify under oath:

- (i) I am authorized to submit this certification and that based on information known to me or provided to me by persons responsible for the data being submitted, I hereby certify that the data set forth in this certification has been examined and is true, accurate and complete. I acknowledge that any false statement on this certification or on other documents submitted by myself can be punished by fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. §§ 1001, 1343, civil violations under the False Claims Act, and suspension and debarment by the Commission.
- (ii) I am not using a consultant, as defined at § 54.500, and I certify that only authorized employees have planned, prepared, approved, signed, or submitted E-Rate applications, or other forms related to the E-Rate program, or have planned and/or prepared bid evaluations, bids, communicated or worked with E-Rate service providers, or with the Administrator and the Commission.

(b) *Consultant Fee Arrangements.* Entities participating in the E-Rate program may not enter into any fee arrangement with a consultant that is based on a percentage of the E-Rate contract(s) and/or disbursements with and to the entity the consultant represents.

(c) *Letter of Agency (LOA) Requirement.* Applicants who use consultants, as defined under 47 CFR § 54.500, must enter into a LOA or similar agreement with the consultant that sets forth the terms of the representation. The LOA or similar agreement must be provided to the Administrator with the submission of FCC Form 5654.

(d) *Mandatory training.* Consultants, as defined under 47 CFR § 54.500, must complete a program and anti-fraud training offered by the Administrator and certify to having reviewed and understood the training content as part of the consultant registration database process. Consultants will be required to complete the training thereafter on an annual basis and will be prohibited from accessing the Administrator's systems until the training has been completed. If a consultant is prohibited from accessing USAC's systems, they are not permitted to complete and/or submit FCC forms on behalf of schools, libraries, consortia, or service providers.

(e) *Consultant Registration Database.* Consultants, as defined under 47 CFR § 54.500, must register in the Consultant Registration Database and receive a Consultant Registration Number (CRN).

- (i) A consultant will only be permitted to receive one CRN and must use this CRN to access the Administrator's systems and to complete and/or submit any FCC form on behalf of a school, library, consortium, or service provider.
- (ii) A consultant is prohibited from using another person's CRN to access the Administrator's systems or complete and/or submit any FCC forms. Any violations could result in civil or criminal prosecution by the appropriate law enforcement agencies and suspension and debarment by the Commission.

Subpart Q – Emergency Connectivity Fund

- 5. Remove Section 54.1700.
- 6. Remove Section 54.1701.
- 7. Remove Section 54.1702.
- 8. Remove Section 54.1703.
- 9. Remove Section 54.1704.
- 10. Remove Section 54.1705.
- 11. Remove Section 54.1706.
- 12. Remove Section 54.1707.
- 13. Remove Section 54.1708.
- 14. Remove Section 54.1709.
- 15. Remove Section 54.1710.
- 16. Remove Section 54.1712.
- 17. Remove Section 54.1716.

APPENDIX B

Initial Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA),¹ the Federal Communications Commission (Commission) has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the policies and rules proposed in the *Notice of Proposed Rulemaking (NPRM)* and *Further Notice of Proposed Rulemaking (FNPRM)* (collectively, the *Notices*) assessing the possible significant economic impact on a substantial number of small entities. The Commission requests written public comments on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments specified in the first page of the *Notices*. The Commission will send a copy of the *Notices*, including this IRFA, to the Chief Counsel for the Small Business Administration (SBA) Office of Advocacy.² In addition, the *Notices* and IRFA (or summaries thereof) will be published in the Federal Register.³

A. Need for, and Objectives of, the Proposed Rules

2. The Commission is required by section 254 of the Communications Act of 1934, as amended, to promulgate rules to implement the universal service provisions of section 254.⁴ Specifically, under the schools and libraries universal service support mechanism, also known as the E-Rate program, eligible schools, libraries, and consortia that include eligible schools and libraries may receive discounts for eligible telecommunications services, Internet access, and internal connections.⁵ The Commission's E-Rate program provides support to schools and libraries, allowing them to obtain affordable, high-speed broadband services and internal connections, which in turn enables them to connect students and library patrons..

3. Today, many schools and libraries have broadband connectivity and Wi-Fi, and there are billions of dollars of investment in other federal programs beyond E-Rate for expanding broadband access. The *NPRM* seeks comment on whether the E-Rate program is still necessary to ensure schools and libraries across the country have access to advanced telecommunications services, consistent with the universal service principles established by Congress. It also seeks comment on whether the E-Rate program should be limited or otherwise restructured to reflect today's connectivity rates, reduce federal spending, and ensure that E-Rate funds are not used to subsidize potentially duplicative services or services beyond those authorized or envisioned by Congress in the 1996 Telecommunications Act.

4. The number of children using the Internet and connected devices, including in educational settings, continues to trend upwards. Adults around the country are increasingly faced with the question of how best to protect children when using the Internet or connected devices, especially when that use takes place away from the home, such as at a school or library. Moreover, there are rising concerns about the long-term impact of too much screen time for children. The *NPRM* seeks comment on measures the Commission can take to empower parents, guardians, and teachers to better protect children when using an E-Rate-funded network, including limiting screen time. It also seeks comment on whether the current interpretation of the Children's Internet Protection Act (CIPA) is the best reading of the statute.

¹ 5 U.S.C. §§ 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

² *Id.* § 603(a).

³ *Id.*

⁴ *See generally* 47 U.S.C. § 254.

⁵ 47 CFR § 54.502.

5. Additionally, the actions proposed in the *FNPRM* would further strengthen program integrity and take measures to deter individuals that may want to commit fraud, waste, and abuse in the E-Rate program. The *FNPRM* proposes a number of new measures aimed at strengthening program integrity by increasing oversight over consultants participating in the E-Rate program and seeks comment on efforts to further streamline and strengthen the Commission's oversight of the E-Rate program and a proposal to sunset certain Emergency Connectivity Fund (ECF) program rules from the Code of Federal Regulations.

6. The *FNPRM* proposes a definition of consultant to include any non-employee who assists the applicant or service provider, whether for a fee or not, with any aspect of participating in the E-Rate program. The proposed rules in the *FNPRM* would require applicants and service providers to collect and submit to the Universal Service Administrative Company (USAC) an annual consultant certification and disclosure form, similar to the Service Provider Annual Certification (SPAC) Form (FCC Form 473), on which consultants will be required to certify their compliance with E-Rate program rules and disclose any conflicts of interest, among other things. In addition, the *FNPRM* proposes the creation of a consultant database that would assign every individual consultant who is seeking to participate in, or is already participating in, the E-Rate program a Consultant Registration Number (CRN) to verify a consultant's identity before being able to access any one of the program's systems, including the E-Rate Productivity Center (EPC). The *FNPRM* also seeks comments on whether a database similar to the representative accountability database (RAD) should be created for E-Rate consultants. As part of this new registration process, we propose that USAC collect the last four digits of the social security number and birth date to verify a consultant's identity prior to providing a CRN, consistent with how the RAD works.

7. Additionally, the *FNPRM* proposes to prohibit applicants and service providers from entering into consultant fee arrangements that are based on a percentage of the applicant's committed E-Rate funding/E-Rate contracts, and an amendment to section 54.516 of the Commission's rules to clarify the types of consultant-related documents applicants and service providers are required to retain to show compliance with program rules, including a copy of the consultant fee arrangement.

8. The *FNPRM* also proposes to amend section 54.504(d) of the Commission's rules to require that applicants submit a service substitution request in writing and certify it under penalty of perjury by an authorized person. Additionally, the *FNPRM* seeks comment on barring service providers who fail to file the annual FCC Form 473 by June 30th from participating in the program until the service provider complies with the rule. If the service provider is barred for failing to submit the annual FCC Form 473, they will not be allowed to submit bids through the portal or receive disbursements until they come into compliance with the rules. This would serve as a deterrent for service providers who fail to file the annual FCC Form 473. The *FNPRM* also proposes requiring consortium members to certify their compliance with the E-Rate program rules. Further, the proposed rules would require consortium leads to submit consortium members' certified FCC Forms 479 to USAC at the time the consortium lead files the consortium FCC Form 471. Currently, the consortium lead collects the FCC Form 479 from its members, but only provides it to USAC upon request. This action will ensure consortium members are subject to the same certification requirements as non-consortium applicants and will close another loophole in the rules.

9. In addition, the *FNPRM* seeks comment on several proposals to help ensure applicants are selecting cost-effective services when one or no bids are received. The *FNPRM* also seeks comment on ways to limit the profit margins for resellers or otherwise limit the reimbursement amount to the underlying carrier/manufacturer cost. The *FNPRM* requests comment on how to use USAC's Open Data and other available market data to create caps on what the E-Rate program will reimburse for services/equipment in specific locations. Further, the *FNPRM* seeks comment on whether commenters have additional proposals/rule changes to address this issue. Finally, the *FNPRM* proposes to sunset certain ECF rules from the Code of Federal Regulations.

10. These proposed rules will greatly strengthen the integrity of the E-Rate program by helping to improve the Commission's and USAC's oversight of consultants and providing them with

additional tools to address consultant misconduct and better protect the program against bad actors. Expanding upon the E-Rate rules will also strengthen the integrity of the program and close loopholes that may allow for the circumvention of program rules.

B. Legal Basis

11. The proposed actions in the *Notices* are authorized pursuant to sections 1 through 4, 201 through 202, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151 through 154, 201 through 202, 254, 303(r), and 403.

C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules will Apply

12. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted.⁶ The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”⁷ In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act.⁸ A “small business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.⁹ The SBA establishes small business size standards that agencies are required to use when promulgating regulations relating to small businesses; agencies may establish alternative size standards for use in such programs, but must consult and obtain approval from SBA before doing so.¹⁰

13. Our actions in the *Notices*, over time, may affect small entities that are not easily categorized at present. We therefore describe three broad groups of small entities that could be directly affected by our actions.¹¹ In general, a small business is an independent business having fewer than 500 employees.¹² These types of small businesses represent 99.9% of all businesses in the United States, which translates to 34.75 million businesses.¹³ Next, “small organizations” are not-for-profit enterprises that are independently owned and operated and not dominant their field.¹⁴ While we do not have data regarding the number of non-profits that meet that criteria, over 99 percent of nonprofits have fewer than 500 employees.¹⁵ Finally, “small governmental jurisdictions” are defined as cities, counties, towns,

⁶ 5 U.S.C. § 603(b)(3).

⁷ *Id.* § 601(6).

⁸ *Id.* § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.”

⁹ 15 U.S.C. § 632.

¹⁰ 13 CFR § 121.903.

¹¹ 5 U.S.C. § 601(3)-(6).

¹² See SBA, Office of Advocacy, *Frequently Asked Questions About Small Business* (July 23, 2024), https://advocacy.sba.gov/wp-content/uploads/2024/12/Frequently-Asked-Questions-About-Small-Business_2024-508.pdf.

¹³ *Id.*

¹⁴ 5 U.S.C. § 601(4).

¹⁵ See SBA, Office of Advocacy, *Small Business Facts, Spotlight on Nonprofits* (July 2019), <https://advocacy.sba.gov/2019/07/25/small-business-facts-spotlight-on-nonprofits/>.

townships, villages, school districts, or special districts with populations of less than fifty thousand.¹⁶ Based on the 2022 U.S. Census of Governments data, we estimate that at least 48,724 out of 90,835 local government jurisdictions have a population of less than 50,000.¹⁷

14. The rules proposed in the *Notices* will apply to small entities in the industries identified in the chart below by their six-digit North American Industry Classification System (NAICS)¹⁸ codes and corresponding SBA size standard.¹⁹ Where available, we also provide additional information regarding the number of potentially affected entities in the industries identified below.

Table 1. 2022 U.S. Census Bureau Data by NAICS Code

Regulated Industry (Footnotes specify potentially affected entities within a regulated industry where applicable)	NAICS Code	SBA Size Standard	Total Firms²⁰	Total Small Firms²¹	% Small Firms
Telephone Apparatus Manufacturing	334210	1,250 employees	155	136	87.74%
Radio and Television Broadcasting and Wireless Communications Equip Manufacturing ²²	334220	1,250 employees	155	136	87.74%
Wired Telecommunications Carriers ²³	517111	1,500 employees	3,403	3,027	88.95%
Wireless Telecommunications	517112	1,500 employees	1,184	1,081	91.30%

¹⁶ 5 U.S.C. § 601(5).

¹⁷ See U.S. Census Bureau, 2022 Census of Governments –Organization, <https://www.census.gov/data/tables/2022/econ/gus/2022-governments.html>, tables 1-11.

¹⁸ The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. See www.census.gov/NAICS for further details regarding the NAICS codes identified in this chart.

¹⁹ The size standards in this chart are set forth in 13 CFR § 121.201, by six digit North American Industrial Classification System (NAICS) code.

²⁰ U.S. Census Bureau, “Selected Sectors: Employment Size of Firms for the U.S.: 2022.” Economic Census, ECN Core Statistics Economic Census: Establishment and Firm Size Statistics for the U.S., Table EC2200SIZEEMPfirm, 2025, and “Selected Sectors: Sales, Value of Shipments, or Revenue Size of Firms for the U.S.: 2022.” Economic Census, ECN Core Statistics Economic Census: Establishment and Firm Size Statistics for the U.S., Table EC2200SIZEREVFirm, 2025.

²¹ *Id.*

²² Affected Entities in this industry include Vendors of Infrastructure Development Network Buildout.

²³ Affected Entities in this industry include Wired Broadband Internet Access Service Providers.

Regulated Industry (Footnotes specify potentially affected entities within a regulated industry where applicable)	NAICS Code	SBA Size Standard	Total Firms²⁰	Total Small Firms²¹	% Small Firms
Carriers (except Satellite) ²⁴					
All Other Telecommunications ²⁵	517810	\$40 million	1,673	1,007	60.19%
Libraries and Archives	519210	\$21 million	2,030	1,891	93.15%
Schools	611110	\$20 million	14,088 ²⁶	14,087	99.99%

Table 2. Telecommunications Service Provider Data

2024 Universal Service Monitoring Report Telecommunications Service Provider Data ²⁷ (Data as of December 2023)	SBA Size Standard (1500 Employees)		
Affected Entity	Total # FCC Form 499A Filers	Small Firms	% Small Entities
Wired Telecommunications Carriers ²⁸	4,682	4,276	91.33
Wireless Telecommunications Carriers (except Satellite) ²⁹	585	498	85.13
Wireless Telephony ³⁰	326	247	75.77

²⁴ Affected Entities in this industry include Wireless Broadband Internet Access Service Providers and Wireless Telephony.

²⁵ Affected Entities in this industry include Internet Service Providers (Non-Broadband).

²⁶ U.S. Census Bureau, Annual Survey of School System Finances Tables, 2023 Public Elementary-Secondary Education Finance Data, <https://www.census.gov/data/tables/2023/econ/school-finances/secondary-education-finance.html>, 2023 Tables, "Individual Unit Tables" (Excel Spreadsheet).

²⁷ Federal-State Joint Board on Universal Service, Universal Service Monitoring Report at 26, Table 1.12 (2024), <https://docs.fcc.gov/public/attachments/DOC-408848A1.pdf>.

²⁸ Local Resellers fall into another U.S. Census Bureau industry (Telecommunications Resellers) and therefore data for these providers is not included in this industry.

²⁹ Affected Entities in this industry include all reporting wireless carriers and service providers.

³⁰ Affected Entities in this industry include Cellular/PCS/SMR - Specialized Mobile Radio Licensees and SMR (Dispatch).

Table 3. E-Rate Funding Data

Affected Entity³¹	# Receiving E-Rate Funding Commitments³²
Schools	101,522
Libraries	11,671

D. Description of Economic Impact and Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

15. The RFA directs agencies to describe the economic impact of proposed rules on small entities, as well as projected reporting, recordkeeping, and other compliance requirements, including an estimate of the classes of small entities which will be subject to the requirements and the type of professional skills necessary for preparation of the report or record.³³

16. The changes contemplated in the *NPRM*, if adopted, may impose new or modified reporting, recordkeeping, and other compliance obligations on certain small entities, particularly schools and libraries. For instance, in the *NPRM*, we seek comment on whether E-Rate program support should continue to extend to Head Start and pre-kindergarten facilities and students. The *NPRM* also explores the Commission's interpretation of CIPA, and seeks comment on whether the statute should require schools and libraries to extend restrictions to third-party devices that connect to their E-Rate-funded networks and Internet access services. Additionally, in the *NPRM*, we seek comment on adopting additional requirements for holding public hearings and providing public notice of proposed Internet safety policies, as required by CIPA. The *NPRM* also seeks comment on whether the Commission should collect a school's or library's Internet safety policy required under CIPA and make them publicly available.

17. The *FNPRM* proposes new or additional reporting or recordkeeping and/or other compliance obligations on small applicants and service providers. The proposed rules would require applicants and service providers to collect and submit to USAC an annual consultant certification and disclosure form, similar to the SPAC Form (FCC Form 473), on which consultants will disclose any conflicts of interest, among other things. In addition, the *FNPRM* proposes the creation of a consultant database that would assign every individual consultant seeking to participate in, or already participating in, the E-Rate program a CRN to verify their identity before being able to access any of the program's systems, including EPC. For the Lifeline program, there is a representative accountability database (RAD) for persons who enroll subscribers on behalf of eligible telecommunications carriers (ETCs). If a representative is found violating the program rules, USAC can block them from the RAD and prevent them from submitting more enrollments through the National Lifeline Accountability Database (NLAD) and the National Verifier. Any non-employee who assists the applicant or service provider, whether for a fee or not, will be required to register for a CRN and submit the annual certification form to the applicant or service provider.

18. The *FNPRM* also proposes to amend section 54.504(d) of the Commission's rules to require that applicants submit a service substitution request in writing and certify it under penalty of

³¹ The Commission's data for schools and libraries applies to eligible entities defined in 47 CFR § 54.501 that participate in the E-Rate program, which provides support to eligible schools and libraries to enable access to high-speed internet access and telecommunications services at affordable rates, consistent with the objectives of universal service.

³² In light of the eligibility requirements the Commission estimates the majority of the entities receiving E-Rate funding are small entities under the applicable SBA size standards for schools and libraries.

³³ 5 U.S.C. § 603(b)(4).

perjury by an authorized person. The *FNPRM* proposes requiring a deadline for the SPAC (FCC Form 473) to be filed and modifying the service provider change rules to allow an applicant to select another service provider if the original service provider refuses to file the required SPAC form. The rules currently require service providers to file this form annually, but do not include a deadline to file the form. The *FNPRM* also seeks comment on barring service providers who fail to file the annual FCC Form 473 by June 30th from participating in the program until the service provider complies with the rule.

19. In addition, the *FNPRM* proposes requiring consortium members to certify their compliance with the E-Rate program rules. The proposed rules would also require consortium leads to submit consortium members' certified FCC Forms 479 to USAC at the time the consortium lead files the consortium FCC Form 471. Currently, the consortium lead collects the FCC Form 479 from its members, but only provides it to USAC upon request. This action will ensure consortium members are subject to the same certification requirements as non-consortium applicants and will close another loophole in the rules.

20. As required under existing rules, participants will continue to be obligated to maintain records and produce them, upon request, to the Commission, USAC, and other entities with authority over the participants. In assessing the cost of compliance for small entities, at this time the Commission cannot quantify the cost of compliance with any of the proposals that may be adopted or determine whether these proposals will require small entities to hire professionals to comply. We do not anticipate that small entities will be required to hire professionals to comply with any proposals we adopt from the *Notices* because the proposed requirements are similar to other E-Rate program rules and procedures with which applicants, and their service providers and consultants, are already familiar. For example, applicants and service providers are already required to certify their compliance with the Commission's rules and thus requiring consultants and consortium members to provide similar certifications based on the existing FCC Forms 471 and 473 will be a similar requirement that is familiar to these E-Rate participants.

21. We believe the benefits of the rules proposed in the *FNPRM*, protecting the limited E-Rate funding, would outweigh any additional burdens on applicants, service providers, and consultants who participate in the E-Rate program. Applicants and service providers are not required to use consultants in the E-Rate program and participation by consultants in the E-Rate program is voluntary. We expect the information we receive in comments will help the Commission identify and evaluate relevant compliance matters for small entities, including compliance costs and other burdens that may result from potential changes discussed in the *Notices*.

E. Discussion of Significant Alternatives Considered That Minimize the Significant Economic Impact on Small Entities

22. The RFA directs agencies to provide a description of any significant alternatives to the proposed rules that would accomplish the stated objectives of applicable statutes, and minimize any significant economic impact on small entities.³⁴ The discussion is required to include alternatives such as: “(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rule for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.”³⁵

23. In the *NPRM*, we seek comment on several ways we can affirm our commitment to ensuring E-Rate-funded networks are being used responsibly and consistently with the universal service

³⁴ 5 U.S.C. § 603(c).

³⁵ *Id.* § 603(c)(1)-(4).

principles set forth by Congress in section 254 of the Communications Act. For example, we seek comment on whether the E-Rate program should continue to support network construction and dark fiber, or if, in light of today's school connectivity rates and the availability of other federal funding sources for such connectivity, these services should be deemed ineligible for E-Rate funding going forward. We also seek comment on other eligible services that may no longer be necessary to achieve the Communications Act's goals or may be inconsistent with the statute.

24. In the *NPRM*, we seek comment regarding several alternative proposals and possible approaches the Commission and parents and guardians may take to better protect children when using an E-Rate-funded network, including limiting screen time. For example, we seek comment on whether to limit E-Rate program support to Head Start and pre-Kindergarten facilities and students that are part of a public school district, or limit funding altogether based upon expert recommendations for Internet use by children under 5 years old and to prevent waste, fraud, and abuse through funding services that are not being used by children. We also seek comment on whether the Commission should mandate how schools and libraries should release public notices for hearings, such as a notice for each time Internet safety policies are amended, on an annual basis, or other set period of time. Small entities are encouraged to bring to the Commission's attention any specific concerns they may have with the input sought in the *NPRM* and outline any additional alternatives.

25. In the *FNPRM*, we seek to update program rules and administration for applicants, including their consultants and service providers, that participate in the E-Rate program. We recognize that our proposed rules would impact small entities and seek comment on alternatives that may impose a significant economic impact upon them. For example, the *FNPRM* seeks comment on whether there are other certifications or disclosures consultants should be required to submit, beyond or instead of those proposed, that would help the Commission better prevent and detect misconduct and ensure transparency and compliance with program rules. We also seek comment on whether updates to the information provided on the form should be provided annually, or within a set period of time.

26. We propose to direct USAC to enhance its training and outreach materials to better assist E-Rate participants with complying with the Commission's updated rules and requirements. These enhanced training and outreach materials will help reduce participant confusion, thus reducing burdens on small and other participants to comply with E-Rate rules. We also propose to direct USAC to create an anti-fraud and E-Rate training program for consultants that must be completed when registering for a Consultant Registration Number (CRN), and then be completed annually thereafter. We will also consider any additional alternatives and comments concerning the impact of these proposals on small entities that we receive in response to the *FNPRM*.

27. Finally, we believe that to the extent the *FNPRM*'s proposals introduce new compliance burdens on applicants in some respects, those burdens will likely be outweighed by the benefits to applicants. We expect that the proposed rules will better protect the integrity of the E-Rate program and will deter individuals that may want to commit fraud, waste, and abuse in the E-Rate program. The *FNPRM* seeks to expand upon E-Rate rules in order to close loopholes that allow for circumventing program rules. The Commission expects to more fully consider the economic impact and alternatives for small entities following the review of comments filed in response to the *Notices*.

F. Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules

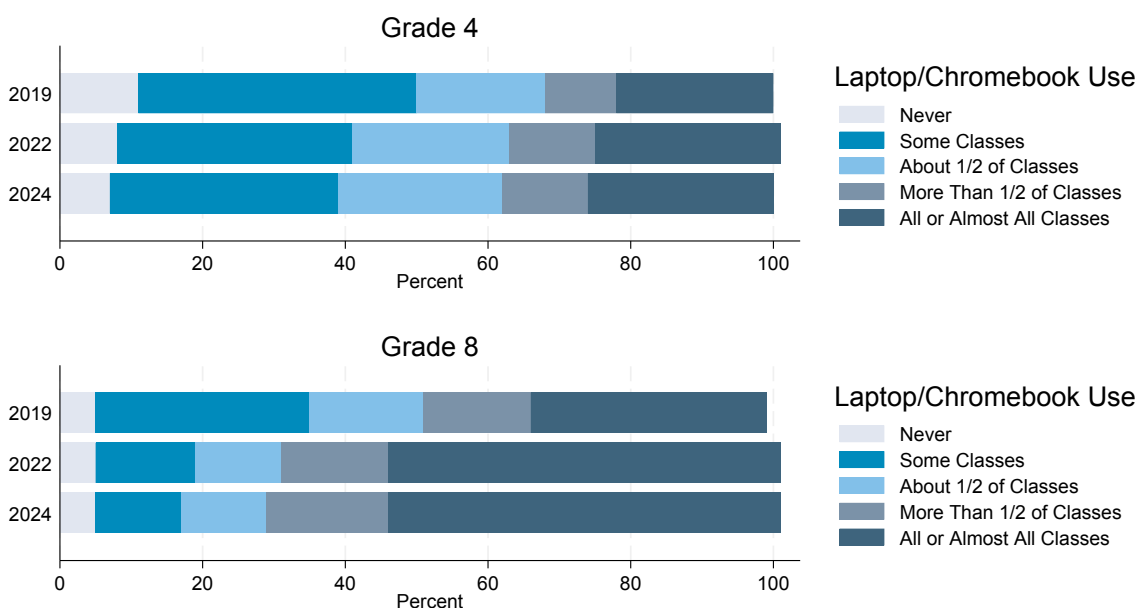
28. None.

STATEMENT OF CHAIRMAN BRENDAN CARR

Re: *Ensuring Children's Safe Use of Screens and E-Rate-Funded Services; Modernizing the E-Rate Program for Schools and Libraries; Establishing the Emergency Connectivity Fund to Close the Homework Gap; Promoting Fair and Open Competitive Bidding in the E-Rate Program*, WC Docket Nos. 26-133, 13-184, 21-93, 21-455, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, (June 25, 2026).

Over the last decade, school districts across the country experimented with a massive increase in screen time for students. In many classrooms, turning pages in books, penciling out answers to math problems, and asking teachers questions were replaced for long stretches of time by kids swiping on tablets. Indeed, the data show that more than half of students now use a computer for up to four hours a day, and a quarter of them spend more than four hours on screens.¹ Kids as young as eight have been spending up to five and a half hours daily on screens.² By Grade 8, more than 50 percent of kids report using computers in all or almost all classes, up from 30 percent in 2019.

Percent of students using computers for any class



Source: National Assessment of Educational Progress Student Survey

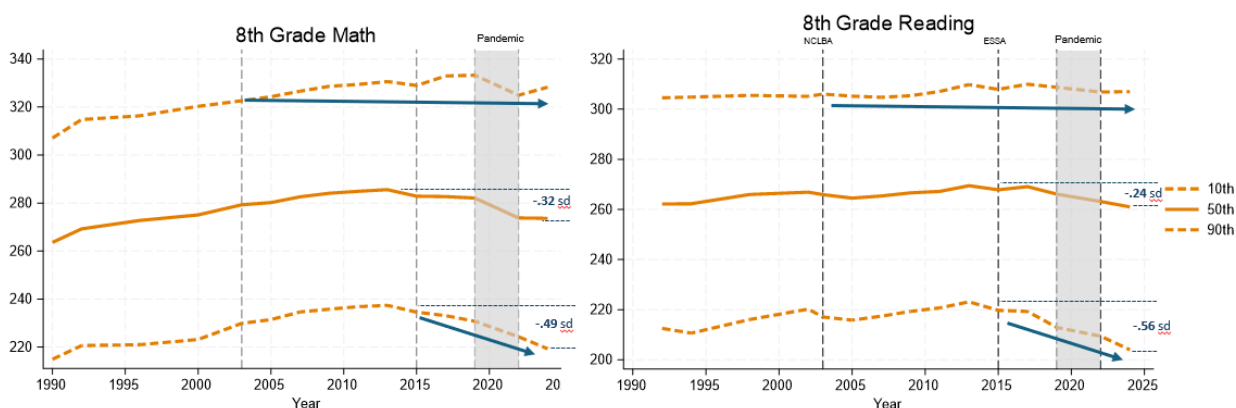
¹ Emma Kate Fittes, *How Much Time Are Students Spending Using EdTech?* (Mar. 1, 2022) <https://marketbrief.edweek.org/meeting-district-needs/how-much-time-are-students-spending-using-ed-tech/2022/03>.

² Children's Hospital of Orange County, *The Effects of Screen Time on Children: The Latest Research Parents Should Know* (Aug. 27, 2024), <https://health.choc.org/the-effects-of-screen-time-on-children-the-latest-research-parents-should-know>; U.S. Dept. of Health and Human Services, Office of the Surgeon General, *Surgeon General's Warning on the Harms of Screen Use, An Advisory and Toolkit on How to Protect Children and Adolescents*, at 12 (2026), <https://www.hhs.gov/sites/default/files/us-surgeon-generals-advisory-warning-on-the-harms-of-screen-use.pdf>.

In many cases, school districts were not freelancing. There had been a strong push at the local, state, and federal level by policy makers to increase screen time. Many argued that increasing screens in schools was an unalloyed good. The more the better. For their part, many tech companies supported the surge in screen time, benefiting from increased device sales.

In any setting, but particularly in educational ones, it is important to look at the data. The results from America's experiment with pervasive screen time in school are now starting to pour in. The data show that reading and math skills have declined and increased screen times have been associated with lower reading and math achievement on standardized tests in elementary school.³ Achievement gaps have also widened between students in the 90th and 10th percentiles. One researcher has described these downward trendlines as one of the largest declines in human capital we have ever observed.

U.S. achievement was declining before the pandemic.



Source: National Assessment of Educational Progress.

We are not the only ones concerned about screen time and poor educational outcomes. Researchers are consistently finding that excessive screen time use has a detrimental impact on the well-being of kids and teens. Professor Jonathan Haidt, social psychologist and professor at NYU's Stern School of Business, has found that screen time is linked with the rise of youth depression and anxiety.⁴ The U.S. Department of Health and Human Services and the American Academy of Child and Adolescent

³ National Assessment of Education Progress, NAEP Report Card: Reading (2024), https://www.nationsreportcard.gov/reports/reading/2024/g4_8/; National Center for Education Statistics, Fast Facts, Long Term Trends in Reading and Mathematics Achievement, <https://nces.ed.gov/fastfacts/display.asp?id=38> (last visited June 24, 2026); Xuedi Li et al., Screen Time and Standardized Academic Achievement Tests in Elementary School, 8 JAMA Netw. Open 10 (2025), <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2839927>.

⁴ See Gili Malinsky, 'The Anxious Generation' author's No. 1 rule for kids' screentime at home: 'We have to roll that back if we want any hope for them to grow up healthy', CNBC (Oct. 8, 2025), <https://www.cnbc.com/2025/10/08/jonathan-haidts-parenting-rules-for-screentime-at-home.html?msockid=3673412deb1d6308130b54d9eab062d7>; see also Jonathan Haidt, The Anxious Generation, <https://www.anxiousgeneration.com/> (last visited June 24, 2026).

Psychiatry have both similarly found that too much screen time may lead to lower grades in school and reading fewer books, among other negative outcomes.⁵

These trends have grabbed the attention of federal policymakers. A number of bills have been introduced in Congress that are aimed at reducing kid screen time. For example, in 2023, Senators Ted Cruz, Ted Budd, and Shelley Moore Capito proposed the “Eyes on the Board Act” to require schools and school districts that participate in the E-Rate program to block social media access on subsidized services and networks, and to adopt policies to limit screen time in school.⁶ And other agencies are also taking a close look at this issue, including the National Telecommunications and Information Administration, where Administrator Roth launched an initiative to examine the role of educational technology and screen use in K-12 schools, beginning with a listening session focused on “Kids’ Excessive Screen Use in Schools.”⁷

School districts are taking action too. As of last month, at least six states have imposed bans or limits on screen time and more than a dozen other states have introduced bills that would result in bans or limits.⁸ Just this week, the Los Angeles Unified School District Board adopted new rules that prohibit screen time for kids before second grade, cap it at 60 minutes for kids between second and fifth grade, and allow middle-schoolers and high-schoolers a total of six hours and 10 hours weekly, respectively.⁹ The San Diego Unified School District Board also adopted rules limiting screen time this week, including removing computers from transitional kindergarten classrooms and banning YouTube.¹⁰

Against this backdrop, it is appropriate for the FCC to look at its own programs. As relevant here, the FCC has a \$3 billion a year program, E-Rate. The program has been in place since 1997 and has played an important role in expanding connectivity to schools and libraries. It began with a clear focus—supporting basic internet access to schools and libraries for educational purposes. Kids could experience digital opportunity for the first time in computer labs at school or at the library. Since then, however, the E-Rate program has expanded exponentially, supporting a much broader list of services. And the number of devices connecting to these E-Rate supported networks has continued to grow as well. Gone are the days when schools focused predominately on connecting computer labs. Instead, nearly 100 percent of public schools report that they provide devices to students who need them, up from only 23 percent in the

⁵ See American Academy of Child & Adolescent Psychiatry, *Screen Time and Children* (June 2025), https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Children-And-Watching-TV-054.aspx; U.S. Dept. of Health and Human Services, Office of the Surgeon General, *Surgeon General’s Warning on the Harms of Screen Use, An Advisory and Toolkit on How to Protect Children and Adolescents* (2026), <https://www.hhs.gov/sites/default/files/us-surgeon-generals-advisory-warning-on-the-harms-of-screen-use.pdf>.

⁶ Eyes on the Board Act, S. 3074, 118th Cong. (2023).

⁷ Kids’ Excessive Screen Time Listening Session, Nat’l Telecomm. & Info. Admin. (Dec. 10, 2025), <https://www.ntia.gov/events-and-meetings/kids-excessive-screen-time-listening-session>.

⁸ *Screen Time Legislation Is Moving Fast. Here’s What’s Actually Enacted*, Whiteboard Advisors, K-12 Education (May 15, 2026), <https://whiteboardadvisors.com/screen-time-legislation-is-moving-fast-heres-whats-actually-enacted/>.

⁹ Lauren Lumpkin, *Nation’s second-largest school district passes strict new screen time rules for students*, Washington Post (June 23, 2026), <https://www.washingtonpost.com/education/2026/06/23/nations-second-largest-school-district-passes-strict-new-screen-time-rules-students/>.

¹⁰ Pranati Kotamraju, *San Diego Unified unanimously approves proposal to reduce screen time for students*, San Diego CBS 7 News (June 23, 2026), <https://www.nbcsandiego.com/news/local/san-diego-unified-technology-limit-student/4040447/>.

2019-2020 school year.¹¹ This is in addition to the many computers and phones that students are bringing to school from home.

In today's item, we are asking important questions that will allow us to ensure that the program continues to support educational opportunity while also considering whether additional safeguards, refinements, or updates are needed to better protect kids online. We seek comment on whether the program should be reoriented in light of all of the above developments, as well as the increase in connectivity to schools and libraries across the country since 1997.

We also explore whether our current interpretation of the Children's Internet Protection Act is the best reading of the statute, or whether there is more that the FCC, and schools across the country, can be doing to protect kids online when they are using E-Rate supported networks. Finally, we are proposing steps to strengthen integrity of the E-Rate program, including increasing oversight over consultants, to help safeguard the program against waste, fraud, and abuse.

Concerned citizens support our action today. I received a letter signed by hundreds of individuals and more than thirty-five organizations including Digital Progress Institute, NCOCE (National Center on Child Exploitation), Internet Accountability Project, and Independent Women's Forum urging the Commission to adopt this Notice of Proposed Rulemaking.

I welcome the discussion that this item will generate and look forward to reviewing the record. Thanks to Allison Baker, Bryan Boyle, Matt Baker, Kristin Berkland, Rachel Bixby, Joseph Calascione, Kate Dumouchel, Gabby Gross, Molly O'Connor, Johnnay Schrieber, Veronica Garcia-Ulloa, Jonathan Lechter, and Malena Barzilai for their great work on this item.

¹¹ Elementary and Secondary Education, Technology Support, *Annual Reports and Information Staff (Annual Reports)*, <https://nces.ed.gov/surveys/annualreports/topical-studies/covid/theme/elementary-and-secondary-education-technology-support/> (last visited June 23, 2026).

**STATEMENT OF
COMMISSIONER ANNA M. GOMEZ**

Re: *Ensuring Children's Safe Use of Screens and E-Rate-Funded Services; Modernizing the E-Rate Program for Schools and Libraries; Establishing the Emergency Connectivity Fund to Close the Homework Gap; Promoting Fair and Open Competitive Bidding in the E-Rate Program*, WC Docket Nos. 26-133, 13-184, 21-93, 21-455, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, (June 25, 2026).

For nearly thirty years, the Schools and Libraries Universal Service Fund Program (E-Rate) has stood as one of our country's most successful and impactful education and digital literacy initiatives. By connecting schools and libraries across the nation, we have narrowed the digital divide, ensured that students have access to the communications services necessary to learn essential digital skills, and prepared them to participate fully in our modern economy. As the United States competes globally to lead in artificial intelligence (AI) and advanced technologies, the importance of E-Rate has never been greater.

Yet today's item, which has been erroneously portrayed as an inquiry into screen time, ventures far beyond the Commission's area of expertise. Beneath the stated concern about screen time lie speculative and unwarranted proposals, including whether the Commission should terminate E-Rate or dramatically limit its scope to be available only in rural areas or areas served by a single provider. These proposals reflect a fundamental misunderstanding of the challenges schools and libraries face today and reveal a striking cognitive dissonance at the core of this item.

Policymakers across the political spectrum, including leaders of this Administration, have identified national leadership in AI as an urgent priority.¹ The Department of Education has affirmed that learning how to use AI is essential to ensuring Americans are competitive in a rapidly evolving workforce and that students must be taught to use AI safely and effectively.²

Despite this, the proposals in today's item move in the opposite direction. We cannot elevate national expectations for digital and AI literacy while simultaneously stripping away the digital tools required to meet them. We cannot declare that AI leadership is a national priority while questioning whether schools should continue to receive the connectivity required to teach it. And we cannot champion innovation while pulling the ladder out from under the students who will build America's future technologies. This contradiction has a cost, and it will be paid by America's children.

Ensuring connectivity in schools and libraries is not a one-time objective; it is a continuous, evolving responsibility. Educational technology advances rapidly. Bandwidth demands increase each year. New applications, including adaptive learning tools, online assessments, and AI-driven instruction, require robust, reliable networks.³ Schools and libraries also face recurring operational costs, including monthly service charges, internal network modernization, cybersecurity, and building and safety systems.

Suggesting that recent broadband infrastructure investments justify narrowing or eliminating E-Rate misunderstands the landscape. In the era of AI-enabled education, the question is not whether schools and libraries still need connectivity, it is whether we will support them in keeping pace with the

¹ See President Trump's Executive Order Advancing Artificial Intelligence Education for American Youth, [Executive Order 14277](#) (Apr. 23, 2025), Sec. 3. See also, e.g., Sorelle Friedler & Andrew D. Selbst, *5 points of bipartisan agreement on how to regulate AI* (Aug. 15, 2025), <https://www.brookings.edu/articles/five-points-of-bipartisan-agreement-on-how-to-regulate-ai/>.

² Department of Education, Final Priority and Definitions-Secretary's Supplemental Priority and Definitions on Advancing Artificial Intelligence in Education, 34 Fed. Reg. 18775 (Apr. 13, 2026).

³ See Michelle Du & Nicol Turner Lee, *Why AI readiness requires digital literacy and inclusion* (Sep. 19, 2025), <https://www.brookings.edu/articles/why-ai-readiness-requires-digital-literacy-and-inclusion/>.

demands of digital learning.

The era of learning by quill and candlelight is long over. Gutting E-Rate would turn back the clock on American classrooms and leave our students behind peers in every developed and developing nation now investing in digital learning.

Parents, educators, librarians, pediatricians, and state and local leaders are appropriately engaged in addressing concerns about children's mental health, online safety, and healthy technology use. These issues are complex and require careful, ongoing research and collaboration.

No one is arguing that concerns over screen time are imaginary. Consideration for children's development, attention spans, and mental health is worth taking seriously. But those conversations belong in homes, classrooms, pediatricians' offices, and with state, local, and federal legislators. Policing children's behavior in schools goes far beyond our agency's stated mandate. The FCC is not the nation's parent. It is not the nation's teacher. And it is not the nation's school board.

The Communications Act charges the FCC with ensuring access to communications services to schools and libraries,⁴ not with second-guessing how teachers use technology in their classrooms. The relationship between technology and learning is nuanced, frequently studied, and best evaluated by educators, families, health experts, and local communities. The Commission lacks both the statutory mandate and the requisite expertise to regulate such decisions.

Educational uses of technology should not be conflated with social media or entertainment.⁵ Digital tools are now essential to learning, collaboration, skill-building, and preparation for participation in a technology-driven workforce.⁶

This item continues a troubling trend of narrowing programs that support the communities with the fewest resources. The children most harmed by any weakening of E-Rate are not those with multiple devices and high-speed broadband at home. They are the children who rely on schools and libraries for digital access, the students for whom E-Rate is a lifeline to opportunity.

E-Rate is the largest technology funding source for libraries and the third largest for education. Over ninety-seven percent of surveyed schools and libraries consider E-Rate funding essential to meeting connectivity needs.⁷ Weakening this program would deepen educational inequities and move us further away from digital equity, not closer to it.

Congress established E-Rate to ensure communications access for schools and libraries in rural, urban, high-cost, and low-income areas.⁸ Congress did not ask the FCC to revisit or narrow the scope of the program. Nor did Congress intend for federal connectivity support to hinge on anyone's preferred educational philosophy or screen-time preference. This notice of proposed rulemaking seeks to reverse thirty years of settled law.

Proposals to restrict E-Rate to only rural areas or areas with a single provider contradict clear statutory intent and ignore the realities of modern education.

⁴ 47 U.S.C. § 254.

⁵ See Sved, Cooper, Consortium for School Networking, Screens in Balance: Education, Technology, and Community Conversations at 37 (2025), <https://www.cosn.org/wp-content/uploads/2025/09/2025-Blaschke-Report-Screens-in-Balance.pdf>.

⁶ See id at 18.

⁷ Funds For Learning, LLC, 2025 E-rate Trends Report at 15 (2025), <https://fundsforlearning.app.box.com/s/o845o2n4lih0k0zny6ydaf3x8q9rvakv>.

⁸ 47 U.S.C. § 254(b)(3).

Digital literacy, AI literacy, broadband access, and equitable technology use are now fundamental to economic participation, civic engagement, and national competitiveness. Other countries are not debating whether their students should have access to digital tools, they are expanding those investments.⁹ We cannot expect America to compete globally if we abandon the programs that make digital opportunity possible for every student.

Weakening E-Rate contradicts national priorities, undermines educational equity, and jeopardizes America's long-term competitiveness. This program should be strengthened, not hollowed out, so that every student in every community has the connectivity and digital skills needed to succeed in a world that will not wait for us to catch up.

I dissent from the Notice of Proposed Rulemaking and approve the Further Notice of Proposed Rulemaking.

⁹ Romina Bandura & Elena I. Méndez Leal, The Digital Literacy Imperative at 1 (2022), https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/220718_Bandura_DigitalLiteracy_Imperative.pdf?VersionId=Kfakvovv6BncGYojmrowNFqG7KIH0fAP.

**STATEMENT OF
COMMISSIONER OLIVIA TRUSTY**

Re: *Ensuring Children’s Safe Use of Screens and E-Rate-Funded Services; Modernizing the E-Rate Program for Schools and Libraries; Establishing the Emergency Connectivity Fund to Close the Homework Gap; Promoting Fair and Open Competitive Bidding in the E-Rate Program*, WC Docket Nos. 26-133, 13-184, 21-93, 21-455, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, (June 25, 2026).

As we celebrate the upcoming 250th anniversary of the Declaration of Independence, I am reminded that one of our Founding Fathers, Benjamin Franklin, played a role in two other notable American firsts that are relevant to today’s item.

Early in his academic career, Franklin attended Boston Latin School, widely regarded as the first public school in what would become the United States. His commitment to learning stayed with him throughout his life. When a small Massachusetts town renamed itself “Franklin” in hopes of receiving a donation from its favorite namesake, Franklin sent them books. Those books became the foundation of what is often recognized as America’s first free public lending library.

Schools and libraries have long been pillars of education and opportunity in this country. Since the enactment of the Telecommunications Act of 1996, the E-Rate program has helped support that mission. Some analyses indicate that 96 percent of public schools nationwide receive E-Rate support.¹ Libraries likewise remain vital community institutions, counting more than 800 million visits in 2023,² and providing access to digital learning tools, online resources, creative studios, and research databases.

Access to digital learning tools in schools and libraries *can* be beneficial to children when used in moderation. They can support academic training, teach responsible online behavior, and prepare the nation’s youth for eventual employment. Schools and libraries can also play an important role in preparing children for a future in which AI literacy will be a necessary skill for full participation in the digital economy.

Notwithstanding the virtues of digital learning tools, the health and well-being of America’s children should come first and guide the extent to which they engage with certain technologies. This administration has recognized that as a priority. Initiatives like First Lady Melania Trump’s “Fostering the Future Together Global Coalition” will help young people develop essential digital skills, including AI literacy, in safe learning environments that protect them from online dangers.

These safe learning environments can include a reduction in prolonged screen exposure as well. Importantly, we cannot ignore growing concerns about the effects of excessive screen use. The Surgeon General has warned that excessive screen time is associated with negative educational, developmental, and health outcomes for school-aged children. State and local leaders have taken note, with many jurisdictions adopting policies that limit technology use during the school day in an effort to improve student welfare and academic performance.

Keeping these issues in mind, along with changing technology and marketplace dynamics, the Commission has a responsibility to periodically review the E-Rate program to ensure it faithfully implements our statutory directives. In the record, I encourage E-Rate advocates to thoroughly explain how the program can focus on the most pressing connectivity needs of schools and libraries while taking

¹ John Harrington, *E-rate Keeps Schools and Libraries Connected*, <https://www.fundsforlearning.com/news/e-rate-keeps-schools-and-libraries-connected/> (Sept. 10, 2025).

² Institute of Museum and Library Services, *Public Libraries Survey*, PLS Benchmarking Tables, Table 14, <https://www.imls.gov/research-evaluation/surveys/public-libraries-survey-pls>.

into account state and local policy developments spurred by emerging research on effective learning environments.

Finally, I appreciate that this item highlights many specific issues the Commission will need to confront as this proceeding moves ahead to remain grounded in universal service principles established by Congress.

I thank the staff of the Wireline Competition Bureau for their hard work on this important item.