

**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	)	

COMMENTS OF INCOMPAS

Staci Pies
Senior Vice President, Government
Relations and Policy

Taylor Abshire
Attorney and Policy Advisor

INCOMPAS
1100 G St NW, Suite 800
Washington, DC 20005
spies@incompas.org

October 13, 2026

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	THE E-RATE PROGRAM REMAINS NECESSARY BECAUSE CONNECTIVITY NEEDS CONTINUE TO EVOLVE	3
A.	Continuing Affordability and Evolving Educational Needs Require E-Rate Support.....	3
B.	E-Rate Supports Networks Essential to Education, Operations, and Safety	6
III.	THE COMMISSION SHOULD PRESERVE SPECIAL CONSTRUCTION AND APPLICANT FLEXIBILITY	7
IV.	CIPA MAKES E-RATE AN IMPORTANT TOOL FOR CHILDREN’S ONLINE SAFETY	9
A.	E-Rate Funding Conditions Advance Children’s Online Safety	9
B.	Federal Safeguards Should Preserve Local Educational Judgment.....	10
V.	PROGRAM INTEGRITY RULES SHOULD REFLECT DIFFERENT PARTICIPANT ROLES	11
A.	The Consultant Definition Should Exclude Ordinary Commercial Functions	11
B.	Registration, Certification, and Reporting Should Follow the Functional Distinction.....	12
C.	Fee Restrictions Should Address Advisory Services and Preserve Ordinary Commercial Compensation.....	13
VI.	CATEGORY TWO SUPPORT SHOULD INCLUDE CYBERSECURITY TOOLS THAT PROTECTS ELIGIBLE INTERNAL NETWORK INFRASTRUCTURE..	14
A.	Cybersecurity Is Essential to Reliable School and Library Networks	14
B.	Eligibility Should Turn on Cybersecurity Functions and Their Connection to Eligible Internal Networks	15
C.	Pilot Evidence Should Inform the Scope and Funding of Permanent Support.....	16
D.	Applicant Choice and Competitive Procurement Should Guide Purchases	16
VII.	CONCLUSION.....	17

I. INTRODUCTION

INCOMPAS respectfully submits these comments in response to the Federal Communications Commission's (Commission or FCC) *Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking* (2026 E-Rate NPRM and FNPRM) in the above-captioned proceedings.¹ INCOMPAS is the premier trade association representing competitive communications providers and AI infrastructure companies dedicated to promoting competition, innovation, and network services, including dark fiber, lit fiber, and services to schools and libraries through the E-Rate program. INCOMPAS members invest billions of dollars in communications infrastructure and provide the networks and services that enable schools, libraries, businesses, hospitals, and communities across the country to connect to the Internet. Through participation in the E-Rate program, INCOMPAS members offer connectivity to and within eligible schools and libraries. In many communities, INCOMPAS members have helped schools and libraries obtain the high-capacity fiber and broadband services necessary to support modern educational environments, including the growing use of cloud-based applications, artificial intelligence, cybersecurity tools, and other network-intensive technologies. As a result, INCOMPAS members have a practical perspective on both the benefits of the E-Rate program and the ways in which changes to the program could affect applicants, service providers, competition, and the continued development of school and library networks. These critical connections enable educators to equip America's students with the digital and AI skills they need to succeed in the workforce of tomorrow and sustain U.S. technological leadership today.

¹ *Ensuring Children's Safe Use of Screens and E-Rate-Funded Services et al.*, WC Docket No. 26-133 et al., Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 26-41 (June 26, 2026) (2026 E-Rate NPRM and FNPRM).

INCOMPAS supports the Commission's objective of ensuring E-Rate funds are used responsibly and that the program operates efficiently and with appropriate safeguards against waste, fraud, and abuse. At the same time, the Commission should ensure its efforts to modernize the program do not inadvertently undermine the very infrastructure and competitive marketplace that E-Rate has helped develop.

The Commission's proposal appropriately recognizes that schools' and libraries' connectivity needs continue to evolve.² As a result, the FCC should modernize E-Rate to reflect the increasingly sophisticated networks that schools and libraries operate today, while preserving the core support that enables eligible entities to obtain affordable, reliable, secure, and high-capacity connectivity. The FCC should evaluate E-Rate support in light of the ongoing evolution of network technology and the increasingly critical role that connectivity plays in education, administration, public safety, and other school and library functions.³

INCOMPAS accordingly recommends the Commission:

1. Recognize that the continued need for E-Rate must be evaluated based on the ongoing affordability, capacity, reliability, and security of school and library networks, not simply whether an Internet connection exists;
2. Preserve E-Rate as a technology-neutral and applicant-driven program, including support for special construction, lit and dark fiber, and self-provisioned networks, allowing schools and libraries to select the connectivity and network solutions that best meet their needs through competitive procurement;

² 2026 E-Rate NPRM and FNPRM, paras. 17–19.

³ See Letter from Staci L. Pies, Senior Vice President, Government Relations and Policy, INCOMPAS, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-133 et al., at 2–3 (filed June 18, 2026) (INCOMPAS *Ex Parte*).

3. Preserve the covered E-Rate support that makes the Children’s Internet Protection Act (“CIPA’s”) Internet-safety requirements an effective federal tool, while respecting local educational and content decisions;
4. Narrow the Commission’s proposed definition of “consultant” so that service-provider channel partners, resellers, agents, authorized dealers, and other entities performing only ordinary commercial functions are not subjected to consultant-specific registration, certification, and reporting requirements, while preserving generally applicable program-integrity obligations; and
5. Expand Category Two eligibility to support cybersecurity equipment, software, and services that protect, secure, monitor, maintain, or manage eligible internal network infrastructure through a functional, technology-neutral standard. The Commission should use the Cybersecurity Pilot Program to inform the appropriate scope and cost of permanent support, while preserving applicant flexibility and competitive procurement.

II. THE E-RATE PROGRAM REMAINS NECESSARY BECAUSE CONNECTIVITY NEEDS CONTINUE TO EVOLVE

A. Continuing Affordability and Evolving Educational Needs Require E-Rate Support

The Commission asks whether the current state of school and library broadband connectivity means E-Rate should be narrowed or otherwise reoriented.⁴ INCOMPAS respectfully submits that a point-in-time measurement of whether an institution has broadband access does not answer the more important question: whether that institution can continue to afford the connectivity and network infrastructure necessary to serve its students, patrons, and communities. INCOMPAS previously raised this concern with the Commission, explaining that

⁴ See 2026 E-Rate NPRM and FNPRM, paras. 17–19.

the NPRM’s focus on the percentage of schools reporting broadband connectivity risks treating E-Rate primarily as an infrastructure-deployment program, even though a significant portion of E-Rate support funds ongoing lit services that schools and libraries rely upon for daily operations.⁵ INCOMPAS therefore recommends the Commission adopt a forward-looking approach, examining how the connectivity and infrastructure needs of schools and libraries compare with current program data, how those needs depend on continued E-Rate support, and what would happen to students and library patrons if that support were reduced or eliminated.

In the Telecommunications Act of 1996, Congress directed the Commission to enhance access to advanced telecommunications and information services for schools and libraries through competitively neutral rules, and to establish discounts that ensure affordable access to supported services.⁶ Those objectives require attention to recurring affordability as well as deployment. A connected school can still lose affordable service, fall behind changing capacity requirements, or face inadequate internal infrastructure if it cannot maintain and upgrade the necessary infrastructure. The Commission should evaluate any proposed narrowing against these statutory objectives and the record on ongoing needs.⁷

This forward-looking approach is particularly important as schools increasingly adopt artificial intelligence (“AI”) and other advanced digital technologies. AI is rapidly becoming an essential component of education and workforce preparation. Federal policy has recognized the importance of ensuring American students and educators are prepared to use and understand this technology.⁸ Executive Order 14277 establishes a federal policy of promoting AI literacy and

⁵ See INCOMPAS *Ex Parte* at 2.

⁶ 47 U.S.C. § 254(h)(1)(B), (h)(2)(A).

⁷ See 47 U.S.C. § 254(h)(1)(B), (h)(2)(A); 2026 *E-Rate NPRM and FNPRM*, paras. 14–18.

⁸ See Exec. Order No. 14277, Advancing Artificial Intelligence Education for American Youth, 90 Fed. Reg. 17519, 17519–21, secs. 2, 4–5 (Apr. 28, 2025).

proficiency, integrating AI into education, providing AI training for educators, and developing an AI-ready workforce. The Executive Order further recognizes that students must have opportunities to learn about and use AI technology and directs federal agencies to identify resources and partnerships to advance K-12 AI education. These priorities underscore the necessity of ensuring schools have the reliable, high-capacity networks, and modern internal infrastructure needed to support AI-enabled education. E-Rate can help advance these federal objectives by supporting affordable connectivity and the network capacity needed for AI-enabled education.

The Commission should therefore view the E-Rate program not simply as a mechanism for providing a baseline Internet connection, but as an essential component of the infrastructure needed to support the next generation of digital and AI-enabled education. As Cherry Creek School District explains, cloud-based AI tools require fast, reliable network connections, and bandwidth demands will grow as these tools become part of daily instruction. The District also relies on these networks to support critical safety functions, including cloud-managed security cameras, door access controls, and alarm systems.⁹

As the Commission itself recognizes, it must consider how schools' connectivity needs will evolve over the next five to ten years and whether the existing E-Rate framework adequately addresses needs that fall outside its current scope.¹⁰ Maintaining robust Category One and Category Two support will be particularly important as schools adopt AI tools and other advanced technologies that increase demands on bandwidth, internal network capacity,

⁹ See Cherry Creek School District Comments at 5 (Cherry Creek Comments).

¹⁰ 2026 E-Rate NPRM and FNPRM, para. 18.

reliability, and security.¹¹ Narrowing E-Rate at precisely the time that federal policy is encouraging schools to expand AI education would risk undermining these national objectives and shifting the resulting costs to local school districts and taxpayers. The Commission should therefore ensure that the E-Rate program evolves alongside the technologies it enables.

B. E-Rate Supports Networks Essential to Education, Operations, and Safety

School networks support considerably more than student Internet access. They carry instructional applications, online assessments, student information systems, administrative services, communications, and physical security and emergency notification systems. School comments illustrate these shared dependencies: International Leadership of Texas describes the instructional, administrative, communications, and security functions served by its networks; Little Falls City School District explains that its security cameras, door access controls, phones, and emergency notification systems rely on the same infrastructure used for instruction and student services; and Cherry Creek School District describes the importance of reliable connectivity to school security and emergency response.¹²

These examples demonstrate the demands placed on school networks without suggesting that every connected device or application is itself eligible for E-Rate support. The Commission should account for those demands when evaluating the program's continued necessity. The relevant question is not simply whether a school has an Internet connection, but whether it can

¹¹ See Cherry Creek Comments at 2 (recommending that the Commission maintain Category Two budgets so districts can complete planned network upgrades).

¹² See Cherry Creek Comments at 5 (describing network-dependent security and emergency-response functions); International Leadership of Texas Comments at 1–2 (*ILTC Comments*) (describing instructional, administrative, communications, and security uses and continuing infrastructure needs); Little Falls City School District Comments at 2 (*Little Falls Comments*) (describing shared instructional, operational, safety, and communications infrastructure).

sustain the network capacity, internal infrastructure, and security needed to deliver that connectivity reliably to the people and systems that depend on it.

III. THE COMMISSION SHOULD PRESERVE SPECIAL CONSTRUCTION AND APPLICANT FLEXIBILITY

The Commission asks whether special construction, dark fiber, and self-provisioned networks remain justified and whether BEAD and other federal broadband programs reduce the need for these forms of E-Rate support. INCOMPAS reiterates that the Commission should preserve these options rather than make eligibility turn on the absence of another provider or the number of providers serving an area. A provider's presence does not establish that it reaches the applicant's campus or offers an affordable service that meets the applicant's capacity, reliability, and other institutional requirements. The relevant inquiry is whether available alternatives are meaningful substitutes in performance, service quality, and long-term value.¹³

In rural and remote communities, longer routes, difficult terrain, and fewer prospective customers can make it hard to recover the cost of reaching a school or library through recurring service revenues alone. A provider may serve the surrounding community yet lack an economic basis to extend or upgrade facilities for an institution's higher-capacity needs. Special construction can address that gap by supporting the eligible upfront investment necessary to deliver service. Eliminating that support could leave applicants dependent on existing facilities that are inadequate or more expensive over time, while limiting the opportunity for another provider to compete for their business.

The Commission should preserve flexibility among leased lit fiber, leased dark fiber, and self-provisioned networks, with special construction available when the selected solution satisfies applicable eligibility and cost-effectiveness requirements. Applicants should compare

¹³ 2026 E-Rate NPRM and FNPRM, paras. 19–22.

upfront construction and equipment costs with recurring service, operation, and maintenance costs over a defensible, comparable planning period, accounting for the useful life of the facilities. That comparison should also assess performance, reliability, scalability, service terms, and the applicant's ability to operate and maintain the network. Lit service may offer particular value to applicants with limited technical staff, while dark fiber or self-provisioning may better meet other applicants' needs. No one model should be presumed superior. The price of eligible services and equipment must remain the primary bid-evaluation factor.¹⁴

This framework can promote competition without treating every additional facility as wasteful overbuilding. A competitively evaluated investment may expand the providers able to serve an institution and offer better value as capacity needs grow. Applicants should demonstrate those benefits rather than assume that new construction is always preferable. Their responsibility for the applicable non-discounted share creates an incentive to control costs, and consortium purchasing can aggregate institutional demand and spread construction costs across participating applicants. These mechanisms complement the existing market test; they do not eliminate the need to document the selected solution's cost-effectiveness.

Nor should BEAD be treated as a categorical substitute for E-Rate. Other federal programs may support infrastructure serving schools and libraries, including eligible community anchor institutions. Their availability does not, however, establish that an applicant has affordable recurring service, adequate institutional capacity, or the internal network equipment it needs. Deployment support and E-Rate can therefore serve complementary purposes, provided each program pays only for its appropriate share of eligible costs. The presence of a federally

¹⁴ See INCOMPAS Ex Parte at 4–5; 2026 E-Rate NPRM and FNPRM, paras. 19–22; 47 CFR § 54.511(a); Universal Service Administrative Company, Requirements for Leased Dark Fiber & Self-Provisioned Networks, <https://www.usac.org/e-rate/applicant-process/competitive-bidding/requirements-for-leased-dark-fiber-self-provisioned-networks/> (last visited Oct. 8, 2026).

funded network in a community should inform the applicant's evaluation of available alternatives, without predetermining the outcome.¹⁵

IV. CIPA MAKES E-RATE AN IMPORTANT TOOL FOR CHILDREN'S ONLINE SAFETY

A. E-Rate Funding Conditions Advance Children's Online Safety

The Children's Internet Protection Act (CIPA) provides an enforceable framework for advancing children's online safety through E-Rate. Schools and libraries receiving support for covered Internet access or Category Two services must make applicable CIPA certifications, adopt and implement an Internet safety policy, and operate technology protection measures on their computers with Internet access. These measures must block or filter visual depictions that are obscene or child pornography and, for minors, harmful to minors. Schools must also monitor minors' online activities and educate them about appropriate online behavior, including social networking, chat rooms, and cyberbullying awareness and response. Applicants receiving support solely for telecommunications services are exempt from these E-Rate CIPA requirements.¹⁶

Reducing E-Rate participation could weaken this funding-based framework without preventing students from accessing the Internet. As INCOMPAS explained in its June 18 *ex parte* letter, an institution that stops receiving covered support may remain online while no longer being subject to CIPA through E-Rate. Paragraph 48 of the NPRM expressly seeks comment on this concern and on the Commission's authority to require online-safety protections outside CIPA. Before narrowing support, the Commission should assess the resulting

¹⁵ INCOMPAS *Ex Parte* at 5; See Little Falls Comments at 2 (distinguishing deployment funding from recurring service and internal-network costs).

¹⁶ 47 U.S.C. § 254(h)(5)(A)–(C), (6)(A)–(C), (l)(1)(A); 47 CFR § 54.520(b), (c)(1)(i)–(ii), (c)(2)(i)–(ii). See also Universal Service Administrative Company, *CIPA*, <https://www.usac.org/e-rate/applicant-process/starting-services/cipa/> (last visited Oct. 8, 2026) (explaining that CIPA applies to Category One Internet access and all Category Two services).

implications for children’s online safety, including the capacity of rural, Tribal, and low-income communities to maintain protections independently.¹⁷

B. Federal Safeguards Should Preserve Local Educational Judgment

CIPA combines federal requirements with local responsibility. Schools and libraries must provide reasonable public notice and hold at least one public hearing or meeting on their proposed Internet safety policies. Beyond the statutorily required filtering protections, Congress assigned determinations of what is inappropriate for minors to the responsible school board, local educational agency, library, or other authority. CIPA expressly prohibits federal agencies from establishing criteria for, or reviewing, local determinations of what matter is inappropriate for minors, while preserving the Commission’s authority to review Internet safety policies for compliance with statutory requirements.¹⁸ The Commission should respect that division of responsibility when considering additional safeguards.

The Commission should also distinguish educational from recreational screen use. INCOMPAS’s *ex parte* letter explained that rules framed solely around screen time could treat AI tutoring and social media alike. Blanket limits could also impede the Administration’s objectives for integrating AI into education. Any additional safeguards should rest on identified statutory authority, address demonstrated harms and preserve flexibility for educators and libraries to account for age, disability, instructional purpose, and local needs.¹⁹

¹⁷ See INCOMPAS *Ex Parte* at 3–4; 2026 E-Rate NPRM and FNPRM, para. 48. Loss of covered E-Rate support does not necessarily eliminate obligations arising under other laws or funding programs. See, e.g., 20 U.S.C. § 9134(f)(1) (imposing separate Internet-safety requirements on certain libraries using Library Services and Technology Act funds to purchase Internet-access computers or pay direct Internet-access costs).

¹⁸ 47 U.S.C. § 254(h)(5)(A)(iii), (6)(A)(iii), (l)(1)(B), (2); 47 CFR § 54.520(c)(4), (h).

¹⁹ See INCOMPAS *Ex Parte* at 4; 2026 E-Rate NPRM and FNPRM, paras. 49–51; Exec. Order No. 14277, *Advancing Artificial Intelligence Education for American Youth*, 90 Fed. Reg. 17519, 17519–21, secs. 2, 6–7 (Apr. 28, 2025) (promoting appropriate integration of AI into education, educational resources, and educator training).

V. PROGRAM INTEGRITY RULES SHOULD REFLECT DIFFERENT PARTICIPANT ROLES

INCOMPAS supports targeted program-integrity reforms that build on E-Rate’s existing safeguards. Competitive bidding protects responsible use of program funds by requiring applicants to evaluate competing offerings and select the most cost-effective solution.²⁰ These procurement requirements operate within a broader framework of program oversight and fraud prevention. In addition, GAO found that E-Rate was the only one of five selected federal programs with documented procedures addressing all nine oversight and fraud-prevention requirements and leading practices examined.²¹ The Commission should build on this established framework by targeting demonstrated gaps and tailoring additional requirements to the functions participants perform.

Applicant consultants and service-provider commercial partners both help schools and libraries obtain E-Rate-supported services. Consultants assist applicants with program participation and administration; commercial partners help providers market, deliver, and support their offerings. Oversight should recognize these distinct roles without unnecessarily restricting either relationship.

A. The Consultant Definition Should Exclude Ordinary Commercial Functions

The Commission proposes to define “consultant” broadly enough to encompass essentially any nonemployee assisting an applicant or service provider with E-Rate participation. It specifically asks whether channel partners, resellers, agents, and authorized dealers performing

²⁰ See INCOMPAS Ex Parte at 5; 47 CFR §§ 54.503, 54.511(a).

²¹ U.S. Government Accountability Office, *Federal Awards: Selected Programs Did Not Fully Include Identified Practices to Enhance Oversight and Fraud Prevention*, GAO-26-107444, at 12 (Dec. 4, 2025), <https://www.gao.gov/assets/gao-26-107444.pdf>.

ordinary commercial functions for service providers should be excluded.²² INCOMPAS supports an express exclusion.

Applicant consultants can provide valuable expertise in applications, procurement, compliance, and program administration. By contrast, provider representatives performing sales, resale, engineering, installation, or support functions act on the provider's behalf. Explaining service configurations, submitting a provider's bid, or installing an eligible network does not, standing alone, constitute advising an applicant on E-Rate participation.

As INCOMPAS explained in its *ex parte* letter, channel partners generally operate under provider oversight and receive compensation through that commercial relationship, typically as fixed or flat fees rather than fees tied to the size of an applicant's funding request.²³ These differences warrant distinct treatment. Extending consultant requirements across the provider distribution system would add compliance costs to ordinary service delivery and could discourage participation, limit applicant choice, and increase costs.

The exclusion should turn on actual functions and compensation arrangements. An entity performing covered E-Rate advisory services should remain subject to requirements applicable to those services, regardless of its title or affiliation. This approach would preserve meaningful consultant oversight while giving providers and their commercial partners a clear boundary for ordinary business activities.

B. Registration, Certification, and Reporting Should Follow the Functional Distinction

The Commission's proposed annual certification, disclosure, and registration requirements should apply to covered consulting services and exclude entities performing only

²² 2026 *E-Rate NPRM and FNPRM*, paras. 57–58.

²³ See INCOMPAS *Ex Parte* at 6; 2026 *E-Rate NPRM and FNPRM*, para. 58 & nn.178–179.

ordinary commercial functions.²⁴ Otherwise, providers could face obligations covering numerous nonemployee sales and technical representatives solely because they serve E-Rate customers, without a demonstrated corresponding oversight benefit.

Any consultant database should collect only information necessary for administration and enforcement, distinguish public fields from confidential information, and avoid duplicative submissions. Sensitive personal information should receive appropriate protection.²⁵

The Commission should also clarify that excluded commercial partners are not subject to duties imposed solely on consultants, including any consultant-specific reporting obligations.²⁶ The exclusion would preserve all otherwise applicable competitive bidding, conflict-of-interest, recordkeeping, certification, and audit-cooperation requirements. It would neither permit interference with an applicant's independent procurement decisions nor exempt covered advisory activities.

C. Fee Restrictions Should Address Advisory Services and Preserve Ordinary Commercial Compensation

The Commission seeks comment on prohibiting percentage-based consultant fee arrangements.²⁷ Any adopted restriction should distinguish compensation for E-Rate advice and administration from compensation for selling, delivering, or supporting eligible services. The relevant inquiry is what the payment compensates and how it is calculated. A provider's payment to a commercial representative for ordinary sales or technical work should not become a consultant fee merely because the customer uses E-Rate support. Nor should payment through a provider relationship alone exempt an arrangement that compensates covered advisory services.

²⁴ 2026 E-Rate NPRM and FNPRM, paras. 59–66, 69.

²⁵ *Id.* paras. 67–68.

²⁶ See INCOMPAS *Ex Parte* at 6.

²⁷ 2026 E-Rate NPRM and FNPRM, paras. 70–71; see also INCOMPAS *Ex Parte* at 6.

INCOMPAS therefore recommends limiting any necessary restriction to fees for covered E-Rate consulting or advisory services and expressly excluding compensation for ordinary commercial functions that is not calculated as a percentage of, or contingent on, the applicant's E-Rate funding request or disbursement. Clear definitions would preserve appropriate oversight and the commercial relationships that help schools and libraries obtain competitive services.

VI. CATEGORY TWO SUPPORT SHOULD INCLUDE CYBERSECURITY TOOLS THAT PROTECTS ELIGIBLE INTERNAL NETWORK INFRASTRUCTURE

A. Cybersecurity Is Essential to Reliable School and Library Networks

The NPRM seeks comment on schools' and libraries' evolving connectivity needs and whether E-Rate should address needs outside the program's current scope.²⁸ Those questions provide an opportunity to consider Category Two support for cybersecurity functions necessary to protect eligible internal networks. Although the NPRM does not specifically propose that expansion, the separate Schools and Libraries Cybersecurity Pilot Program provides a relevant foundation: the Commission established the Pilot to evaluate cybersecurity needs, costs, and the potential use of universal service funding to address them.²⁹

Category Two supports connectivity within eligible schools and libraries through internal connections, managed internal broadband services, and basic maintenance of internal connections.³⁰ Protecting that infrastructure against cyberattacks is essential to sustaining reliable connectivity. In establishing the Pilot, the Commission recognized that cybersecurity helps prevent disruptions to school and library connections and protects sensitive information on their

²⁸ Ensuring Children's Safe Use of Screens and E-Rate-Funded Services et al., WC Docket No. 26-133, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 26-41, at 15, paras. 18–19 (June 26, 2026) (2026 E-Rate NPRM and FNPRM).

²⁹ Schools and Libraries Cybersecurity Pilot Program, WC Docket No. 23-234, Report and Order, 39 FCC Rcd 6158, 6159, para. 2 (2024) (Cybersecurity Pilot Order).

³⁰ 2026 E-Rate NPRM and FNPRM at 2, para. 2.

networks, thereby serving educational purposes.³¹ INCOMPAS therefore urges the Commission to treat network security as an integral part of schools' and libraries' continuing connectivity needs.

B. Eligibility Should Turn on Cybersecurity Functions and Their Connection to Eligible Internal Networks

INCOMPAS recommends expanding Category Two eligibility to include cybersecurity equipment, software, and services necessary to protect eligible internal network infrastructure. This would be a prospective expansion of current eligibility: the funding-year 2026 Eligible Services List retains support for basic firewall services and components but does not add advanced firewall features.³² The Pilot Order provides relevant statutory analysis, including the Commission's conclusion that protecting school and library broadband networks enhances access to advanced telecommunications and information services under section 254(h)(2)(A).³³ The Commission should consider that reasoning when evaluating this recommendation.

The Commission should adopt a functional, technology-neutral eligibility standard, supported by illustrative examples and clear boundaries. The Pilot's broad categories and non-exhaustive examples offer a useful model for accommodating changing threats and technologies. Potential additions could include advanced firewalls, intrusion detection and prevention, DDoS protection, advanced malware protection, secure-access tools, and network and endpoint detection and response, where those functions protect eligible internal network infrastructure.³⁴ Eligibility should depend on the function performed and its demonstrated connection to that

³¹ Cybersecurity Pilot Order, 39 FCC Rcd at 6223, para. 117.

³² Modernizing the E-Rate Program for Schools and Libraries, WC Docket No. 13-184, Order, DA 25-1069, at 5–6, para. 10 & n.46 (WCB Dec. 17, 2025).

³³ 47 U.S.C. § 254(h)(2)(A); Cybersecurity Pilot Order, 39 FCC Rcd at 6225, para. 120.

³⁴ See Cybersecurity Pilot Order, 39 FCC Rcd at 6179–81, 6183–86, paras. 36–39, 44, 46–50 (adopting flexible eligibility categories and identifying cybersecurity functions eligible for Pilot support).

infrastructure. Inclusion on the Pilot's eligible services list should inform, but should not automatically determine, Category Two eligibility.

C. Pilot Evidence Should Inform the Scope and Funding of Permanent Support

The Commission established the Pilot to measure cybersecurity costs and effectiveness before determining whether and how to provide permanent support. It expressly declined to prejudge either the permanent funding mechanism or the services and equipment that might qualify.³⁵ INCOMPAS supports using the Pilot's findings to inform a prospective Category Two expansion, with the Commission explaining how those findings support its eligibility and funding decisions.

Any expansion should include clear cost-allocation and anti-duplication requirements, drawing on the Pilot's safeguards. Applicants should exclude ineligible functions from funding requests, and the same costs should not be reimbursed through both E-Rate and the Pilot or another funding program.³⁶ The Commission should also assess the funding needed for cybersecurity support and its effect on Category Two budgets so applicants can obtain these protections alongside essential switches, wireless equipment, and other eligible infrastructure.

D. Applicant Choice and Competitive Procurement Should Guide Purchases

Within those eligibility boundaries, schools and libraries should retain flexibility to select solutions suited to their networks, security needs, and technical resources. The Pilot Order recognizes both the value of flexible technology choices and institutions' limited capacity to perform security monitoring and response themselves. It also accommodates managed

³⁵ Cybersecurity Pilot Order, 39 FCC Rcd at 6184, 6217, paras. 45, 105.

³⁶ See Cybersecurity Pilot Order, 39 FCC Rcd at 6187, para. 52 (restricting duplicative funding and requiring allocation of ineligible costs).

cybersecurity services and cloud-based solutions.³⁷ A functional standard should preserve these options without prescribing a particular vendor, architecture, or service model.

E-Rate's procurement safeguards should continue to apply. Subject to applicable exemptions, applicants must conduct fair and open competitive bidding, carefully consider all submitted bids, and select the most cost-effective offering, with price as the primary factor. The rules also permit consideration of relevant non-price factors.³⁸ Applying this framework to newly eligible cybersecurity functions would preserve applicant choice while promoting competition and responsible use of universal service funds.

VII. CONCLUSION

INCOMPAS appreciates the Commission's consideration of these comments and looks forward to continuing to work with the Commission, USAC, schools, libraries, and other stakeholders to ensure that E-Rate remains an effective and competitive program supporting secure and reliable connectivity.

Respectfully submitted,
/s/ Staci Pies
Staci Pies
Senior Vice President, Government
Relations and Policy
1100 G St NW, Suite 800
Washington, DC 20005
spies@incompas.org

October 13, 2026

³⁷ *Id.* at 6179–81, 6186–87, paras. 37–39, 50–51, 53.

³⁸ 47 CFR §§ 54.503(a)–(b), (e), 54.511(a).