



- Funding Status
  - E-Rate for FY 2025
  - Cybersecurity Pilot Program
- Initial Comments on the FY 2026 Eligible Services List
- New Summary of USAC Administrative Procedures
- Updates and Reminders
  - Upcoming Dates
- USAC E-Rate News Brief Dated November 18<sup>th</sup>

## Funding Status

### *E-Rate for FY 2025:*

Wave 31 of Funding Commitment Decision Letters (“FCDL”s) for FY 2025 was released on Thursday, November 20<sup>th</sup>, for \$32.5 million, including \$1.07 million for two North Carolina applicants. Total funding for FY 2025 is \$2.37 billion, including \$53.2 million for North Carolina. Currently, USAC has funded 92.6% of submitted applications, representing 79.2% of the dollars requested.

### *Cybersecurity Pilot Program:*

The Form 471 application window for the Cybersecurity Pilot Program closed on September 15, 2025. Total pilot funding is capped at \$200 million for 690 applicants, including \$7.9 million for fifteen North Carolina applicants. PIA review of Pilot applications is continuing, with some applications already reported to be “Wave Ready.” Issuance of the first Funding Commitment Decisions Letters (“FCDLs”) will require FCC review and should begin shortly now that the government shutdown has ended.

## Initial Comments on the FY 2026 Eligible Services List

In late September, just before the government shutdown, the FCC released a draft of the [Eligible Services List \(“ESL”\) for FY 2026](#) seeking comments and reply comments later in October. The shutdown delayed that process. The initial comment period was extended until the shutdown ended, and reply comments are now due December 3<sup>rd</sup>.

To no one’s surprise, because the FCC had already moved to eliminate the eligibility of hotspots and school bus Wi-Fi and had reissued an amended ESL for FY 2025 retroactively eliminating those services, the draft ESL for FY 2026 did so as well.

The one positive element of the FY 2026 draft was the FCC’s proposal “to treat all currently eligible software- or remote-based services, including bug fixes, security patches, software-based

technical assistance, and configuration changes the same and have applicants request all software- and remote-based services with the internal connections equipment that they support.” Such a change would eliminate much of the historic confusion surrounding the differences between managed internal broadband services (“MIBS”) and basic maintenance of internal connections (“BMIC”).

Several sets of initial comments on the FY 2026 draft (e.g., [SECA](#), [SHLB Coalition](#), [The Friday Institute](#), and [Kellogg & Sovereign](#)), not only support the proposed change but urge the FCC to go further by including basic maintenance as a managed service under MIBS, thus eliminating “BMIC” as a separate category altogether. This additional simplification would be a boon to all Category 2 applicants. Ideally, this could be made effective FY 2026, the start of the new Category 2 budget cycle.

Other comments we support were submitted by [Funds For Learning](#) and the [Los Angeles USD](#). Both parties supported MIBS/BMIC changes but added suggestions to broaden the definition of basic firewalls to include more advanced features now commonly included in modern firewalls. For years, ESL comments to include cybersecurity products and services in the ESL have been rejected by the FCC, who only recently established the limited Cybersecurity Pilot Program. Modernizing the eligibility of “basic” firewalls would be a small, but meaningful, step to improving cyber protection for schools and libraries beginning with the new Category 2 budget cycle.

We were not surprised to see a few comments decrying the loss of eligibility for hotspots and bus Wi-Fi (e.g., [American e-Rate Solutions](#) or the related Petition for Reconsideration by the [California Public Utilities Commission](#)). No relief is expected in the final Eligible Services List for FY 2026.

Reply comments on the FY 2026 ESL are due Wednesday, December 3<sup>rd</sup>.

## **[New Summary of USAC Administrative Procedures](#)**

Dated October 31<sup>st</sup>, but not posted on the FCC website until November 13<sup>th</sup> following the end of the government shutdown, USAC posted a list summarizing all current [USAC Administrative Procedures](#) not otherwise explicitly stated or codified in an FCC rule or regulation. In broad procedural categories, the list includes:

- Appeals to the Administrator
- Commitment Adjustments and Recovery of Improperly Disbursed Funds
- Equipment Transfer Request Dismissal
- Forms Processing
- Invoicing
- Overall Procedures
- Program Integrity Assurance
- Service Substitutions
- Service Provider Invoice Number (“SPIN”) Changes

The entire descriptions are worth reviewing, among which we would note:

- The variety of uses of the Form 500 to report or request equipment transfers, Service Start Date or Service Delivery Deadline changes.

- The requirement to address audit findings, which used to be required within six-months, but which has been reduced to 60 days as of January 1, 2023.
- The difference between the handling of split funding requests (“FRNs”) and split line items.
- The difference in deadlines for Corrective Service Substitutions depending upon whether the requested change is to the category of service or is to correct or adjust bandwidth. The former must be filed before the Service Delivery Deadline (“SDD”); the latter must be filed before the Invoice Delivery Deadline (“IDD”).
- Corrective SPIN changes must be received no earlier than the date of the FCDL and received no later than the last date to submit an invoice.

## Updates and Reminders

### *Upcoming Dates:*

- November 25 USAC webinar on the E-Rate Post-Commitment Process ([register](#)).
- November 28 FY 2025 Form 486 deadline for applicants funded in Wave 15. More generally, the Form 486 deadline is 120 days after the FCDL date, or the Service Start Date (typically July 1<sup>st</sup>), whichever is later. The next Form 486 deadlines for FY 2025 are:
- |         |            |
|---------|------------|
| Wave 16 | 12/05/2025 |
| Wave 17 | 12/12/2025 |
| Wave 18 | 12/19/2025 |
| Wave 19 | 12/28/2025 |
- December 2 USAC webinar on the EPC Administrative Window ([register](#)).
- December 3 USAC webinar on Eligible Services 101 ([register](#)).
- December 3 Due date for reply comments on the FY 2026 Eligible Service List (see article above on initial ESL comments).
- December 17 Senate Commerce Committee’s FCC oversight meeting with testimony from all three Commissioners. Questioning is expected to focus Commission actions related to public broadcasting programming and licenses (potentially interesting, but unrelated to E-rate).

## USAC E-Rate News Brief Dated November 18<sup>th</sup>

[USAC’s E-Rate News Brief dated November 18, 2025](#), covers the following topics:

- [E-Rate Tips](#) including:
  - Updates to USAC’s [Category Two \(C2\) Budget Tool FY2021+](#).
  - Reminder to applicants to file their Form 486s after receiving FY 2025 FCDLs.

- Reminder to service providers to file their Form 473 annual certifications.
- [Funding Year \(FY\) 2025 Commitments.](#)
- [FCC Rescinds E-Rate Eligibility for School Bus Wi-Fi and Wi-Fi Hotspots.](#)
- [What to Do if You Missed Your October Invoice or FCC Form 486 Filing Deadline.](#)
- [Competitive Bidding – Set Yourself Up for Success.](#)
- [Tips for the EPC Administrative Window.](#)
- [Use Open Data to Confirm Invoicing and Service Delivery Deadlines.](#)
- [2025 Training and Outreach.](#)

---

*Newsletter information and disclaimer: This newsletter may contain unofficial information on prospective E-Rate developments and/or may reflect E-Rate Central's own interpretations of E-Rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by USAC, the FCC, or NCDPI.*

*Additional North Carolina specific E-Rate information is available through our Web site — <http://www.E-Ratecentral.com/us/stateInformation.asp?state=NC>. Note that this site provides easy access to formatted North Carolina applicant E-Rate histories via the Billed Entity Number (“BEN”) search mechanism in the upper left-hand corner. Detailed information can be obtained by “drilling down” using the links for specific funding years and individual FRNs.*

*If you have received this newsletter from a colleague and you would like to receive your own copy of the North Carolina E-Rate Forum, send an email to [join-ncerate@lists.dpi.state.nc.us](mailto:join-ncerate@lists.dpi.state.nc.us). Please include your name, organization, telephone, and e-mail address.*

*In compliance with federal law, the NC Department of Public Instruction administers all state-operated educational programs, employment activities and admissions without discrimination because of race, religion, national or ethnic origin, color, age, military service, disability, or gender, except where exemption is appropriate and allowed by law.*