Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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

COMMENTS OF THE COMPETITIVE ENTERPRISE INSTITUTE

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I. INTRODUCTION AND SUMMARY

The Competitive Enterprise Institute (CEI) submits these comments on the Commission's proposed rules regarding the E-Rate program.[1] CEI supports reducing unnecessary expenditures, preventing payment of the same costs through multiple federal programs, and targeting support more closely to demonstrated affordability needs. The expansion of school connectivity warrants reassessment of the program's scope and discount levels, but physical connectivity alone does not establish that ongoing support is unnecessary. The Commission should exercise its discretion within Section 254's requirements for affordable access and use, competitively neutral rules, and educational purposes. Any reconsideration of existing authority must address the statutory reimbursement exception, controlling Supreme Court instructions concerning precedent, and the

[1] *Ensuring Children's Safe Use of Screens and E-Rate-Funded Services; Promoting Fair and Open Competitive Bidding in the E-Rate Program*, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, WC Docket Nos. 26-133, 13-184, 21-93, 21-455, FCC 26-41 (rel. June 26, 2026) [hereinafter "Notice"].

Fifth Circuit's decision upholding important features of the program. The Commission may revise its administrative framework and reduce support where the record and statute permit, but it may not extinguish Congress's mandatory support obligations by regulation.

II. THE FISCAL CASE

The E-Rate program is one of four components of the Universal Service Fund. The Fund charged carriers approximately $8.4 billion across those programs in 2024.[2] Its costs can reach consumers through carrier charges that have climbed sharply. The universal service contribution factor, the percentage carriers must contribute on their assessed interstate and international end-user revenues, rose to 42 percent effective October 1, 2026 (up from 38.8 percent the previous quarter).[3] Carriers may recover contribution costs through charges to consumers, including a line item subject to applicable regulatory limits.[4] The factor does not apply to every customer's entire bill, and the costs described here are the costs of all four USF programs. Nonetheless, a contribution factor of that magnitude warrants scrutiny of the funding mechanism and each program's demonstrated need.

The surcharge can rise even without an increase in program spending because of the structure of the contribution mechanism itself. The Commission calculates the factor using the programs' projected funding requirements and the contribution base (the pool of assessed interstate and international end-user telecommunications revenue), with applicable regulatory adjustments.[5] As that base contracts, the same program cost can yield a higher contribution

[2] *FCC v. Consumers' Research*, 606 U.S. 656 (2025), slip op. at 25 (citing USAC, 2024 Annual Report at 18).
[3] Proposed Fourth Quarter 2026 Universal Service Contribution Factor, DA 26-946 (Sept. 14, 2026); Proposed Third Quarter 2026 Universal Service Contribution Factor, DA 26-546 (June 12, 2026); USAC, Contribution Factors, https://www.usac.org/service-providers/making-payments/contribution-factors/.
[4] 47 C.F.R. § 54.712(a).
[5] 47 C.F.R. § 54.709(a); DA 26-546 (June 12, 2026).

factor. Holding program spending steady against a shrinking base can therefore impose a rising contribution burden on a narrowing set of payers.

Contribution obligations are calculated by reference to assessed telecommunications revenues rather than household income. When carriers pass contribution costs through to consumers, those charges can affect the affordability of service.[6] The Commission should consider that burden when evaluating the need for and efficiency of support, consistent with Section 254's affordability principles.[7] A rising contribution factor is a cost worth scrutinizing on its own terms, particularly where the record supports reducing expenditures while maintaining the access and affordability Congress required.

CEI notes what this fiscal picture does and does not establish. The contribution burden is substantial and can rise as the contribution base contracts. Those facts make the Commission's reexamination timely. They do not, by themselves, supply the authority to narrow the program (and CEI does not rest its recommendations on cost alone). The case for lawful narrowing rests on the statutory framework and evidence of current need, and the sections that follow set it out. The fiscal context is the reason the statutory question presses now, not a substitute for the statutory answer.

III. THE EXPANSION OF CONNECTIVITY WARRANTS REASSESSMENT OF CURRENT SUPPORT

Section 254(h) of the Communications Act was enacted to address limited access to services and to ensure affordability. When Congress enacted Section 254 in 1996, many schools and libraries across the country lacked basic access to advanced telecommunications and Internet services. Section 254(h) stated that eligible institutions receive service at a discount and that the

[6] 47 C.F.R. § 54.712(a).
[7] 47 U.S.C. § 254(b)(1), (3).

Commission enhance their access to the extent technically feasible and economically reasonable.[8] The Joint Explanatory Statement confirms this point. Congress was addressing telecommunications and Internet services in schools and libraries.[9] The statutory text also requires affordable access to and use of eligible services and directs the Commission to enhance access to advanced services.[10]

The physical connectivity gap for schools has narrowed substantially. The Notice's cited data establish changed circumstances. The Commission reports data indicating that virtually all schools have broadband connectivity and cites evidence of widespread Wi-Fi deployment.[11] Those sources do not, however, establish that every school has adequate, affordable service or that libraries have achieved the same connectivity rates. Meanwhile, demand for program funds has fallen consistently below the cap. For instance, for funding year 2026, the cap stands at $5.2 billion in comparison to an estimated demand of about $3.515 billion.[12] This consistent gap warrants examining whether the cap and current support levels remain appropriate. It does not, by itself, establish that existing requests are unnecessary, that the statutory affordability objectives have been accomplished, or that contributions exceed actual funding requirements.

The relevant question here is whether support remains appropriate and necessary to ensure affordable access to and use of eligible services.[13] Whether connectivity could always be faster or more plentiful is a policy question with no natural conclusion. Nonetheless, the statute is not confined to closing the physical access gap that existed in 1996; its affordability and advanced-services provisions address continuing access and use.[14] The Commission has asked

[8] Notice para. 12.
[9] S. Rep. No. 104-230, at 132-133 (1996); Notice para. 12 n. 61.
[10] 47 U.S.C. § 254(h)(1)(B), (2)(A).
[11] Notice para. 12 & nn. 59-60.
[12] Notice para. 19 & n. 81.
[13] 47 U.S.C. § 254(h)(1)(B).
[14] 47 U.S.C. § 254(b)(1), (6), (h)(1)(B), (2)(A).

whether Section 254(c)(1)'s direction to define universal service as "an evolving level of telecommunications services" is properly read to operate in only one direction.[15] The Commission may reconsider obsolete services and support levels within the statute's limits as connectivity and needs change. It must also account for Section 254(c)(3)'s authority to designate additional services for schools and libraries and Section 254(h)(2)(A)'s advanced-services directive. Those provisions do not require subsidizing every state-of-the-art capability, but neither do they freeze adequate service at the 1996 baseline. The Commission should identify present needs and the support required to meet its statutory obligations, rather than assume that initial connectivity alone satisfies them.

The statute's measure of support, sufficiency, reinforces the above reading. Section 254 states that universal service support be "sufficient."[16] Sufficiency is measured against the purpose the support serves. As demonstrated current support needs decline, the required support and corresponding contributions may decline. Continued disbursement exceeding those needs would sit in tension with the statutory measure, but the assessment must include ongoing service costs, affordability, and access to eligible advanced services. The Supreme Court has held that the word "sufficient" in Section 254 sets both a floor and a ceiling on the Commission's authority. That language means that the Commission may raise no less than what is adequate to support its universal-service programs (and no more).[17] That ceiling, as the Court articulated it, is based on the amount the Commission may raise from contributors in the aggregate. CEI reads the same sufficiency principle to bear on disbursement as well. The Commission should evaluate whether particular expenditures exceed demonstrated current need while preserving the statutory

[15] Notice para. 17; 47 U.S.C. § 254(c)(1).
[16] 47 U.S.C. § 254(b)(5), (e).
[17] *FCC v. Consumers' Research*, 606 U.S. 656 (2025), slip op. at 19-21.

support obligations. A funding cap above requested support is not itself proof of excessive collections or disbursements. CEI offers this application as corroboration of the statutory text, and not as a proposition the decision compels.

It should be noted what the above establishes, and what it does not. While physical connectivity has expanded substantially, this does not mean that the program is without value (or that no school or library still needs support). Some institutions, especially in high-cost and rural areas, continue to face genuine access costs that the program was designed to defray. The Commission should reassess current need and target support accordingly, accounting for ongoing affordability and the advanced-services directive. What follows in the sections below is a case for disciplined narrowing. Any narrowing must preserve Section 254(h)'s mandatory support obligations.

IV. THE COMMISSION SHOULD REASSESS THE PROGRAM WITHIN STATUTORY LIMITS

The Notice asks whether the expansion of eligible services and equipment over time is supported by the text, structure, and history of Section 254. This is the right question. The ex parte filing of former Commissioner Furchtgott-Roth, which the Notice engages, raises several questions about the program's statutory basis.[18] CEI addresses those questions here while recognizing the statutory exception and relevant precedent. After *Loper Bright*, courts must exercise independent judgment concerning statutory meaning and respect lawful delegations of discretion. The Court also expressly preserved prior holdings upholding specific agency actions and explained that reliance on *Chevron* alone does not justify overruling them.[19] The Fifth

[18] Letter from Harold Furchtgott-Roth to Marlene H. Dortch, WC Docket No. 26-133 et al., at 4-6 (filed June 18, 2026); Notice paras. 14-15.
[19] *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369, 412-413 (2024).

Circuit upheld support for Internet access and internal connections and payments to non-telecommunications providers in *Texas Office of Public Utility Counsel v. FCC* (*TOPUC*).[20] The Commission should address those holdings and the full statutory framework when explaining any proposed narrowing; *Loper Bright* did not automatically invalidate the existing program.

A) The Commission Should Explain the Statutory Basis for Direct Reimbursement

Section 254(h)(1)(B) contemplates a telecommunications carrier extending a discount to an eligible school or library and recovering the amount either as an offset against its universal service contribution obligation or as reimbursement from the support mechanism. The reimbursement alternative applies "notwithstanding the provisions of subsection (e)."[21] Program rules also permit an applicant that pays the full cost of service to receive direct reimbursement from the Administrator, a method the Commission adopted in 2014 for implementation beginning in funding year 2016.[22] Convenience alone is not authority. Nonetheless, the payment's recipient alone does not resolve whether direct reimbursement permissibly administers the statutory discount. The Commission should explain how the method delivers that discount consistently with Section 254 and any applicable ancillary authority under Section 154(i). *TOPUC*'s approval of support for non-telecommunications providers is relevant, but does not itself decide the distinct question of payments directly to applicants.[23] CEI urges a reasoned explanation of the legal basis before concluding that the mechanism exceeds the statute.

[20] 183 F.3d 393, 440-444 (5th Cir. 1999); Notice para. 16.
[21] 47 U.S.C. § 254(h)(1)(B)(i)-(ii).
[22] 47 C.F.R. § 54.514(c); Notice para. 14 n. 68; 2014 First E-Rate Order, 29 FCC Rcd 8870, 8963-8964, para. 233.
[23] *TOPUC*, 183 F.3d at 443-444.

B) The Discount Criteria Should Accurately Measure Affordability and Need

The Notice examines (and the Furchtgott-Roth filing questions) the Commission's use of National School Lunch Program eligibility and urban or rural status to vary discount levels.[24] Section 254 does not specifically name the lunch program, but it supplies relevant principles and expressly delegates judgment about discount amounts. Section 254(b)(3) addresses low-income consumers and rural, insular, and high-cost areas, while Section 254(h)(1)(B) directs discounts appropriate and necessary to ensure affordable access and use. The absence of a named administrative proxy does not establish that the proxy lacks authority. The relevant question is whether the current criteria accurately measure affordability and need within those statutory limits. The Commission should explain that relationship and revise the matrix where the record supports better targeting. Part VI addresses that exercise of discretion.

C) The Advanced-Services Directive Operates Within the Statutory Framework

Section 254(h)(2)(A) 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 schools, health care providers, and libraries.[25] That directive must be read with the statute's other provisions and limitations. However, *TOPUC* upheld payments to non-telecommunications providers by considering Section 254(h)(2)(A) together with the Commission's ancillary authority under Section 154(i).[26] The court treated those payments as implementation of an existing statutory directive, rather than an assertion of additional substantive jurisdiction. The Commission should address that reasoning, the reimbursement exception in Section 254(h)(1)(B)(ii), and the distinction between authority to

[24] Notice paras. 14, 25-27.
[25] 47 U.S.C. § 254(h)(2)(A); Notice para. 15.
[26] *TOPUC*, 183 F.3d at 443-444.

provide support and discretion to limit particular expenditures. Section 254(h)(2)(A) does not authorize unlimited spending, but existing funding authority cannot be rejected merely by characterizing the provision as a rulemaking directive.

D) Eligible Services Must Support Connectivity To or Within Eligible Locations

The Commission has identified an organizing principle, and CEI urges the Commission to apply that principle consistently here. Under the Commission's own reading of Section 254(h)(2)(A), E-Rate-funded services and equipment must ultimately transport information to school classrooms or libraries.[27] The Commission applied that location-based reading in reversing support for off-premises hotspots and school-bus Wi-Fi in 2025.[28] The same principle should inform the eligible-services list moving forward. Internal connections, including routers and switches, can transport information within eligible locations; their status as equipment does not establish ineligibility. *TOPUC* upheld support for internal connections, and Congress's later Children's Internet Protection Act (CIPA) provisions expressly contemplate discounted Internet access and internal connections.[29] Any proposed exclusion should address that statutory context and precedent and identify why the particular item falls outside the authorized connectivity function. Educational value in a broader sense alone does not establish eligibility.

E) The Educational-Purpose Presumption Should Be Disciplined by the Statute, Not the Location

The Notice asks whether the presumption that on-premises activity serves an educational purpose should be reversed or altered. The presumption should be disciplined, though not abolished. There is nothing inherently wrong in a workable presumption that eases

[27] Notice para. 21 & n. 90; 2025 Hotspots Order on Reconsideration, 40 FCC Rcd 7932, 7939, para. 12.
[28] Notice para. 21 & n. 87.
[29] *TOPUC*, 183 F.3d at 440-443 & n. 88; 47 U.S.C. § 254(h)(5)(A)(ii), (6)(A)(ii).

administration (and a rule requiring case-by-case proof of educational purpose for every use would impose real burdens). The challenge here is that physical location is a poor proxy for the statutory standard. Section 254(h)(1)(B) authorizes support for services used for educational purposes. Program rules define educational purposes for schools as activities integral, immediate, and proximate to the education of students, and for libraries as activities integral, immediate, and proximate to providing library services to patrons.[30] A presumption keyed to whether activity occurs on school property (rather than to whether it meets the applicable standard) can sweep in uses the statute does not reach. Thus, the Commission should retain a rebuttable presumption subject to the applicable educational-purpose requirements, rather than one that substitutes the fact of on-premises use for the statutory text.

V. E-RATE SHOULD NOT FUND UNNECESSARY OR DUPLICATIVE CONSTRUCTION

The anti-duplication principle is sound, and CEI supports it. The Notice asks whether continued support for self-provisioned network construction risks displacing private investment or wasting federal resources on duplicative infrastructure (particularly given other federal broadband programs directed at unserved and underserved areas).[31] This concern is well founded. Federal subsidies should not stack to fund the same infrastructure twice. Likewise, construction where existing service adequately and affordably meets the applicant's needs may waste resources or unnecessarily displace private deployment. Infrastructure overlap alone, however, does not establish duplication of the same expense or the absence of additional capacity, reliability, or competitive benefits. Thus, the Commission is correct to ask the question, and CEI supports the direction of the inquiry.

[30] 47 C.F.R. § 54.500; Notice para. 3 & nn. 6-7, para. 23 & n. 94.
[31] Notice para. 22.

The Notice draws more from BEAD than the programs' overlap supports, and the argument for narrowing is stronger without it. The Notice treats the Broadband Equity, Access, and Deployment (BEAD) program as though it makes E-Rate special construction generally redundant. It does not (or, at least, not cleanly). Congress directed BEAD first to unserved locations, then to underserved locations, reaching eligible community anchor institutions (including schools and libraries) only after those statutory priorities.[32] The overlap between BEAD coverage and E-Rate-eligible institutions is therefore partial, not total. Likewise, it varies by state plan, available resources, and actual project coverage. A rule premised on BEAD having comprehensively backstopped schools and libraries would rest on a factual assumption the program's own structure does not support.

Special construction should be limited to genuine residual need, but not eliminated. That the overlap between BEAD and E-Rate is only partial is a reason to target the anti-duplication rule (though not to abandon it). The sound rule is not that special construction is unnecessary because BEAD has covered the field. The sound rule is that special construction should be confined to genuine residual need and conditioned on the disclosure of other funding. Support for special construction should therefore be limited, though not eliminated, where the record demonstrates that existing offerings and other funded deployments will not adequately and affordably meet an eligible institution's needs. Applicants and service providers should be required to disclose other federal funding sources for a given deployment, so that E-Rate does not pay for what another program has already funded. Additionally, where support is warranted, high-cost or single-provider areas with inadequate or unaffordable existing service may have stronger claims to support. Provider count alone should not substitute for evidence of actual

[32] 47 U.S.C. § 1702(h)(1)(A)(i)(III).

need.[33] Each answer follows from the anti-duplication principle without depending on the overbroad premise that BEAD has made special construction generally unnecessary.

A duplicative subsidy should be evaluated against current need. A subsidy that pays again for a construction expense already funded by another program is inconsistent with responsible use of limited resources. A second route or overlapping infrastructure presents a different question: whether the expenditure provides a needed, cost-effective improvement in eligible connectivity. The Commission should examine existing offerings, affordability, reliability, capacity, and other funding before approving special construction. Where the record establishes that the same costs have already been funded, or that adequate and affordable service is available without the proposed construction, the case for declining the subsidy is strongest. Those findings support narrowing without treating every overlapping deployment as categorically outside Section 254.

VI. SUPPORT SHOULD BE TARGETED TO GENUINE NEED

The premise is one of authority. Part IV addresses the statutory framework and the need to evaluate the current discount criteria. This Part addresses how support should be targeted within that framework. These discussions are complementary. The first identifies legal limits; the second asks how the Commission should exercise its discretion to ensure affordable access and use.

Targeting support more closely to demonstrated need is a permissible exercise of discount-setting discretion within statutory limits. The Notice asks whether the Commission has authority to phase down support for the least-needy applicants and to limit support to higher-cost areas.[34] Section 254(h)(1)(B) directs the Commission to determine discounts appropriate

[33] Notice para. 22.
[34] Notice paras. 25-26.

and necessary to ensure affordable access and use. That language supports adjusting discount levels based on actual service costs and ability to pay. It does not, by itself, establish authority to eliminate the statutory discount for every otherwise eligible non-rural or multi-provider applicant. Any categorical exclusion would require separate analysis of the statutory mandate and the effects on affordability, including for low-income applicants.[35] CEI supports better targeting where the record and statute permit.

The discount matrix should be geared toward actual need. The Notice asks whether National School Lunch Program eligibility and urban or rural status remain effective targeting measures. Additionally, the Notice also asks whether a disproportionate share of funding flows to large, well-resourced districts.[36] The Commission should phase down support at the least-needy end of the matrix where the record demonstrates that lower discounts will maintain affordable access and use. Any proposal to eliminate support entirely must separately establish consistency with Section 254(h)'s mandatory requirements. District size or aggregate tax resources alone should not establish that the students or library patrons served have no affordability needs. There is nothing inherently wrong with a proxy for need that eases administration. The challenge here is a proxy that provides more support than is necessary to ensure affordable access and use. Gearing the matrix toward actual need is appropriate narrowing accomplished through the program's own instruments.

The rural differential identifies where the subsidy does its most faithful work. The Notice asks whether the discount for rural applicants should differ from that for urban applicants.[37] Support is most justified where costs are genuinely higher and competitive

[35] 47 U.S.C. § 254(b)(3), (h)(1)(B), (2)(A).
[36] Notice para. 25.
[37] Notice paras. 26-27; 47 U.S.C. § 254(b)(3).

alternatives scarcer (which is the circumstance the rural differential was designed to address). CEI accordingly supports retaining (and where the record warrants, strengthening) the targeting of support toward high-cost, single-provider areas. Section 254(b)(3)'s comparability principle supports this reading. Comparability calls for a targeted approach that equalizes access where it is genuinely wanting (not for a mechanism that operates identically in competitive and uncompetitive markets alike). However, rural status and provider count should inform, rather than replace, the assessment of service cost and ability to pay. Low-income urban applicants may also require support to obtain affordable access and use.[38]

Verified savings from lawful narrowing should reduce contribution requirements where consistent with existing statutory obligations. The Notice observes that demand has fallen consistently below the cap and asks whether that gap signals unmet needs outside the program's scope.[39] The gap alone does not answer that question or justify extending support to otherwise unauthorized uses. It also does not establish that the Fund collects the full cap or holds the difference as money available for new uses; contribution requirements are based on projected funding needs and regulatory adjustments.[40] The Commission should examine why demand remains below the cap and whether particular expenditures can be reduced while preserving affordable access and use. Verified savings should reduce aggregate contribution requirements to the extent they are not needed to satisfy other existing statutory USF obligations. CEI raises this as a matter of program scope and the burden the Fund places on contributors.

[38] 47 U.S.C. § 254(b)(3), (h)(1)(B).
[39] Notice para. 19.
[40] 47 C.F.R. § 54.709.

VII. THE COMMISSION MAY NARROW SUPPORT BUT MUST PRESERVE STATUTORY OBLIGATIONS

The Notice distinguishes two questions and they have different answers. The Notice asks both whether the E-Rate program should be narrowed and whether it should be sunset.[41] The Notice also asks whether the Commission has the authority to do each. It is important to draw a distinction here, as the answers to those questions differ. The Commission has discretion to revise eligible services, administrative mechanisms, and discount levels within statutory limits and on a reasoned record. The Commission does not, however, have authority to eliminate Congress's mandatory support obligations via regulation. One principle yields both answers. Specifically, the Commission may do what Section 254 authorizes, and may not do what it does not. That principle points toward narrowing and against repeal.

The mandatory terms of Section 254(h) foreclose regulatory repeal of the statutory obligations. Section 254(h) directs, in mandatory terms, that eligible schools and libraries receive supported services at a discount. A command Congress wrote as mandatory cannot be read out of the statute by rule. Regardless of the Commission's authority to define eligible services, to discipline the discount mechanism, and to target support, the Commission cannot exercise that authority to reduce the program to nothing. The statute requires the specified discounts and rules enhancing access; it does not freeze every feature of the Commission's current administrative framework. A replacement framework must continue to satisfy those obligations. The E-Rate advocates make this point in their ex parte filings, arguing that nothing in Section 254 empowers the Commission to terminate the program (the Notice seeks comment on this premise rather than assuming it). To the extent that termination would extinguish those

[41] Notice paras. 12-13.

statutory obligations, the premise is correct. Though, this premise is correct for the reason the statute provides rather than any interest in the program's preservation. Specifically, the language "shall" is mandatory, and mandatory terms bind the agency that administers them.[42]

Narrowing is not repeal, and this distinction is what makes narrowing lawful. There is a boundary between narrowing and repeal here. The proposals in Parts IV through VI remain lawful only insofar as they preserve the statutory obligations and rest on a reasoned assessment of current need. Targeting support to demonstrated current need, including continuing service costs and affordability, implements the command when the required discounts and enhanced access remain effective. Reducing the program below that floor, so that the mandatory support Congress required is no longer effectively provided, would cross the boundary into the repeal the statute forecloses. CEI plainly states the narrowing prerogative here: the Commission may narrow the program to its statutory core, but it may not narrow the program out of existence. While the statute mandates specified support obligations, that does not mean the statute mandates the program's current scale. The gap between those two propositions is where lawful narrowing operates.

Where the Commission's aims exceed its authority, the path runs through Congress.[43] The constructive course here is to identify what the Commission may do now and what requires legislation. If the Commission or Congress concludes that the statutory support obligations should be sunset in light of the connectivity that has been achieved, that judgment is Congress's to make and the Commission's to recommend (not the Commission's to effect by rule). The Commission should adopt justified narrowing within its authority in this proceeding and (to the extent it believes the statutory mandate itself warrants revisiting) say so to Congress.

[42] 47 U.S.C. § 254(h)(1)(B); Notice para. 13.
[43] Notice para. 12.

This course secures the narrowing that is lawful against the challenge that it is really an unauthorized repeal. Concurrently, it places any further step on the footing that will hold.

VIII. CONCLUSION

The Commission should reassess E-Rate support using evidence of current service costs, affordability, and eligible connectivity needs. CEI supports reducing unnecessary expenditures, requiring disclosure of other funding for the same deployment, and adjusting discounts where lower support will continue to satisfy the statutory mandate. The Commission should preserve the applicable educational-purpose requirements while avoiding unnecessary administrative burdens. Any reconsideration of the program's legal basis must address the express reimbursement exception, *TOPUC*, Congress's later recognition of Internet access and internal connections, and *Loper Bright*'s preservation of prior holdings. The Commission may revise the program within those limits; eliminating Congress's mandatory support obligations requires legislation.

Respectfully submitted,

/s/

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