APPENDIX B

ELIGIBLE SERVICES LIST FOR EMERGENCY CONNECTIVITY FUND PROGRAM

The Federal Communications Commission provides this list as guidance for applicants on the equipment and services that are eligible for funding under the Emergency Connectivity Fund Program (Program). Pursuant to section 7402 of American Rescue Plan, support from the Emergency Connectivity Fund is to be used for the purchase during the COVID-19 emergency period of eligible equipment and/or "advanced telecommunications and information services" as the term is used in section 254(h) of the Communications Act.¹

We caution applicants to carefully review all Program guidance. Applicants are ultimately responsible for compliance with Program rules and requirements, including all deadlines and eligibility requirements.

Eligible Equipment

Eligible Equipment includes:

- Wi-Fi hotspots
- Modems (e.g., air cards)
- Routers
- Devices that combine a modem and router
- Connected devices (laptop computers and tablet computers)

Notes: (1) Any components included by the manufacturer with eligible equipment, and necessary for the equipment to operate, for example cords and chargers, do not require cost allocation.

(2) Smartphones and desktop computers are ineligible for support under this Program.

(3) A manufacturer's multi-year warranty for a period of up to three years that is provided as an integral part of an eligible component, without a separately identifiable cost, is also eligible.

Eligible Advanced Telecommunications and Information Services

In general, eligible advanced telecommunications and information services include commercially available fixed or mobile broadband Internet access services. These services must be purchased by a school or library for off-campus use by students, school staff, or library patrons.

Eligible Services include:

- Cable Modem
- Digital Subscriber Line (DSL)
- Leased Lit Fiber (e.g., fiber to the home or to the premises)
- Satellite
- Wireless (e.g., fixed wireless, microwave, or mobile broadband)

Notes: (1) *Limited Exception for Construction of a Network or Customer Premises Equipment to Receive Datacasting Services Where No Commercially Available Services Exist.* In the limited instance where there is no commercially available service for purchase available to reach students, school staff, and library patrons, eligible schools and libraries may seek support to construct a third-party broadband

¹ H.R. 1319, tit. VII, § 7402(a)(1)-(2), (d)(1); *see also* 47 U.S.C. § 254(h)(2)(A) ("The Commission shall establish competitively neutral rules—(A) to enhance, to the extent technically feasible and economically reasonable, access to advanced telecommunications and information services for all public and nonprofit elementary and secondary school classrooms, health care providers, and libraries").

network or a self-provisioned broadband network, and/or purchase customer premises equipment to receive datacasting services. Applicants seeking support for network construction, self-provisioning, and/or customer premises equipment to receive datacasting services must demonstrate that there were no commercially available options and that services were provided to students, school staff, or library patrons during the COVID-19 emergency period. Only if these conditions are met are the following equipment and services eligible with respect to construction of third-party broadband networks or self-provisioned broadband networks, and/or customer premises equipment to receive datacasting services:

- (a) Eligible costs include monthly charges, special construction, installation and activation charges, modulating electronics and other equipment necessary to make a broadband Internet access service functional ("Network Equipment"), and maintenance and operation charges.
- (b) The eligible components of special construction are construction of network facilities, design and engineering, and project management.
- (c) Customer premises or end-user equipment to receive datacasting services.

(2) The construction of new networks (including the construction of self-provisioned networks) are ineligible for funding except in the limited instance described above.

(3) Dark fiber and the electronics to light dark fiber are ineligible.

Miscellaneous

Installation, activation, and initial configuration costs, taxes, shipping charges, and other reasonable fees incurred with the purchase of the eligible equipment and services are eligible for support under the Emergency Connectivity Fund Program.

Examples of Ineligible Costs

Examples of <u>ineligible</u> costs include:

- Administrative costs, e.g., personnel expenses, consultant fees, payroll, training, customer service, project management, records management, etc.
- Charges for termination liability, penalty surcharges, and other charges not associated with purchase of the eligible equipment and services.
- Software, user licenses, filtering and firewall services that are purchased separately and are not included in the base price for the equipment.
- Back-up power equipment, e.g., back-up batteries, redundant power cords, uninterruptible power supply (UPS), generators, and surge protectors, etc.
- Cybersecurity tools (including, for example, virtual private network (VPN) licenses, firewall software, network monitoring, and filtering services).
- Dark fiber.
- Eligible equipment or services purchased before March 1, 2020.
- Filtering services needed for Children's Internet Protection Act compliance.
- Headsets.
- Learning management systems.
- Separate costs for non-connected accessories, e.g., cases, mouse pads, cable clips, laptop bags, tablet stands, wall mounts, and charging stations, etc.
- Mobile phones, including smartphones.
- Standalone microphones.
- Standalone cameras.
- Technical support, maintenance costs, separate costs for warranties and protection plans.
- Video conferencing equipment and related software subscriptions (e.g., Zoom subscriptions).

• Voice services.

National Security Supply Chain Restrictions. Pursuant to section 54.10 of the Commission's rules, applicants are prohibited from using Federal subsidies (including Emergency Connectivity Fund Program support) to purchase, rent, lease, or otherwise obtain any covered communications equipment or service from a company identified as posing a national security threat to the integrity of communications networks or the communications supply chain.² Also, Federal subsidies may not be used to maintain any such equipment or service that was previously obtained. A list of covered equipment and services was posted on the Commission's website on March 12, 2021 and will be updated to reflect any future determinations.³

² See Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs, Second Report and Order, 35 FCC Rcd 14284, 14287, para. 4 (2020). 47 CFR § 54.10.

³ See Federal Communications Commission, List of Equipment and Services Covered by Section 2 of the Secure Networks Act, <u>https://www.fcc.gov/supplychain/coveredlist</u> (last visited May 10, 2021).