



E-Rate: Universal Service Program for Schools and Libraries

The FCC's E-Rate program makes telecommunications and information services more affordable for schools and libraries. With funding from the Universal Service Fund (fcc.gov/encyclopedia/universal-service-fund), E-Rate provides discounts for telecommunications, Internet access, and internal connections to eligible schools and libraries.

The ongoing proliferation of innovative digital learning technologies and the need to connect students, teachers and consumers to jobs, life-long learning, and information have led to a steady rise in demand for bandwidth in schools and libraries. In recent years, the FCC refocused E-Rate from legacy telecommunications services to broadband, with a goal to significantly expand Wi-Fi access. These steps to modernize the program are helping E-Rate keep pace with the need for increased Internet access. (Learn more about modernization of the E-Rate program: fcc.gov/e-rate-update.)

What benefits are available under the E-Rate program?

Eligible schools and libraries may receive discounts on telecommunications, telecommunications services, and Internet access, as well as internal connections, managed internal broadband services and basic maintenance of internal connections.

Discounts range from 20 to 90 percent and are based on the poverty level of the schools. Rural schools and libraries may also receive a higher discount. Recipients must pay some portion of the service costs.

See the list of eligible services at usac.org/sl/applicants/beforeyoubegin/eligible-services-list.aspx.

How does the E-Rate program work?

An eligible school or library (see eligibility definitions at usac.org/sl/applicants/beforeyoubegin/definitions.aspx) identifies goods or services it needs and submits a request for competitive bids to the Universal Service Administrative Company (USAC). USAC posts these requests on its website for vendors to bid on. After reviewing the vendors' bids, the school or library selects the most cost-effective eligible products and services using price as the primary factor. It then applies to USAC for approval for the desired purchases.

Next, USAC issues funding commitments to eligible applicants. When a vendor provides the selected services, either the vendor or the applicant submits requests to USAC for reimbursement of the approved discounts.

The bid request and competitive bidding processes must comply with FCC rules and also state and local procurement requirements.

How are schools and libraries in my area benefiting?

To find which schools and libraries in your area benefit from E-Rate, use USAC's commitments tool at usac.org/sl/tools/commitments-search/AdvancedNotification.aspx.



How are requests prioritized?

If demand for E-Rate money is greater than the available funds, funding is allocated first to the highest poverty schools and libraries, then the next-highest poverty applicants, and so on.

How much funding is available?

In 2014, the FCC's the Second E-Rate Order increased the cap for the program to \$3.9 billion in funding year 2015, indexed to inflation going forward. The funding cap for funding year 2019 is \$4.15 billion.

Does the E-Rate program duplicate state and local efforts?

The FCC's plan complements the efforts of states and localities to bring advanced telecommunications and information services to schools and libraries. When the E-Rate program was established in 1996, only 14% of the nation's K-12 classrooms had access to the Internet.

Alternate formats

To request this article in an alternate format - braille, large print, Word or text document or audio - write or call us at the address or phone number at the bottom of the page, or send an email to fcc504@fcc.gov.

Last Reviewed: 12/31/19

