

On December 11, 2014 the following order provided:

- Additional flexibility for schools and libraries seeking to purchase affordable, high-speed broadband connection,
- Provides applicants more options to pay for non-recurring construction costs,
- Suspends the multiyear amortization policy and allows applicants to pay the non-discount portion of non-recurring construction costs over multiple years,
- Beginning in funding year 2016, it also equalizes program rules for dark fiber and allows E-Rate applicants to self-construct high-speed broad band facilities when self-construction is the most cost-effective option, with appropriate safeguards consistent with rules already applicable to the commission's healthcare connect fund,
- It also provides an additional discount of up to 10% to match state funding for self-construction charges for last mile facilities with special consideration to schools and libraries,
- Requires recipients of high-cost funding to offer high-speed broadband to schools and libraries located in the geographic area where the provider receives high-cost support at rates reasonably comparable to similar services in urban areas. Next, the order addresses the E-Rate program's ongoing funding needs,
- It increases the predictability of funding for connectivity within schools and libraries by expanding the five-year budget approach for category two internal connections through funding year 2019,
- The order increases the E-Rate funding cap by \$1.5 billion to \$3.9 billion, plus annual inflationary changes,
- The order also directs USAC to establish a performance management system to assess the effectiveness of the program's administration, and
- Finally, the order on reconsideration adopts a more inclusive definition of rural so that **a school or library located in an area with a population of less than 25,000 will be considered rural to ensure that additional funding is targeted to areas where e-indicate services are more costly.**

The order **dismisses** petitions seeking reconsideration of the commission's:

- 10-year document retention rule
- The immediate phase-out of support for voice components
- The decision not to allow multi-year or conditional commitments.

It further clarifies the cost effectiveness test for individual data plans and the cost allocation requirements for circuits carrying VoIP services.