

Office of the Governor
State of Louisiana

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GOVERNOR



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December 12, 2022

The Honorable Janet Yellen
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Yellen:

Thank you for your ongoing collaboration and support as we work to close the digital divide in Louisiana. We have devoted significant American Rescue Plan Act funding to expanding access to high-speed internet infrastructure, helping more Louisiana residents afford an internet subscription and getting residents the devices and skills needed to participate in the modern economy. Louisiana's Office of Broadband Development & Connectivity, or "LAConnect," has awarded more than \$170 million in incentives to internet service providers to serve over 81,000 unserved homes and businesses across the state. Almost all of these providers will provide symmetrical speeds, and all will participate in the Affordable Connectivity Program. We have much work to do, but Louisiana is making real, measurable progress at securing internet for all.

I am writing today to urge your departments to show deference to unique state circumstances, regulatory structures, and expertise in applying Uniform Guidance subrecipient requirements to high-speed internet infrastructure projects. Closing the digital divide in Louisiana requires working in partnership with large publicly traded internet providers, rural electric and telephone membership cooperatives and a wide range of private sector entities, including many small businesses.

The Uniform Guidance (2 CFR 200) serves an essential role in safeguarding public funds by establishing cost principles for the use of federal funds. Several UG requirements, however, present a significant risk to our efforts to provide internet for all and could dissuade private internet providers and cooperatives from participating in publicly funded broadband infrastructure projects in Louisiana and in other states. Specifically, UG restrictions on program income, property disposition and procurement could deter private sector participation in Louisiana's broadband infrastructure grant programs funded by American Rescue Plan Act State Fiscal Recovery Funds, Coronavirus Capital Projects Funds and the Bipartisan Infrastructure Law's Broadband Equity, Access and Deployment Program.

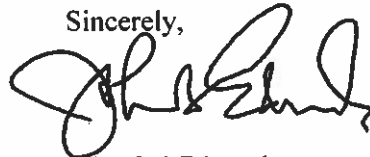
LAConnect is implementing these programs and applying all appropriate federal protections. Explicitly deferring to state decisions on subrecipient and contractor determinations and the applicability of the Uniform Guidance will minimize risk to these programs and allow us to execute public-private partnerships that will connect Louisiana more quickly.

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We applaud President Biden's Administration and Congress for investing these resources in states so that local expertise and stakeholders can drive investment that build digital equity for all. The American Rescue Plan and the Bipartisan Infrastructure Law will help many more Louisianans and Americans as a result of this decision. I ask you to ensure that the requirements of 2 CFR 200 continue to guide the use of federal funds and protect American taxpayers but without breaking our primary broadband infrastructure investment tools.

Thank you for your consideration and partnership.

Sincerely,

A handwritten signature in black ink, appearing to read "John Bel Edwards". The signature is fluid and cursive, with a large initial "J" and "B".

John Bel Edwards
Governor