

Why We Conducted This Audit

This report provides information on three federally-funded broadband expansion programs in Louisiana: (1) the Rural Digital Opportunity Fund (RDOF) program; (2) the American Rescue Plan Act Capital Projects Fund (ARPA-CPF) program (GUMBO 1.0); and (3) the Broadband Equity, Access, and Deployment (BEAD) Program (GUMBO 2.0). These three programs will provide up to \$1.8 billion in federal funding to connect all citizens of Louisiana with high-speed internet through grants to telecommunications providers.

The COVID-19 pandemic has underscored the importance of access to broadband and the "digital divide" between those who have access and those who do not.

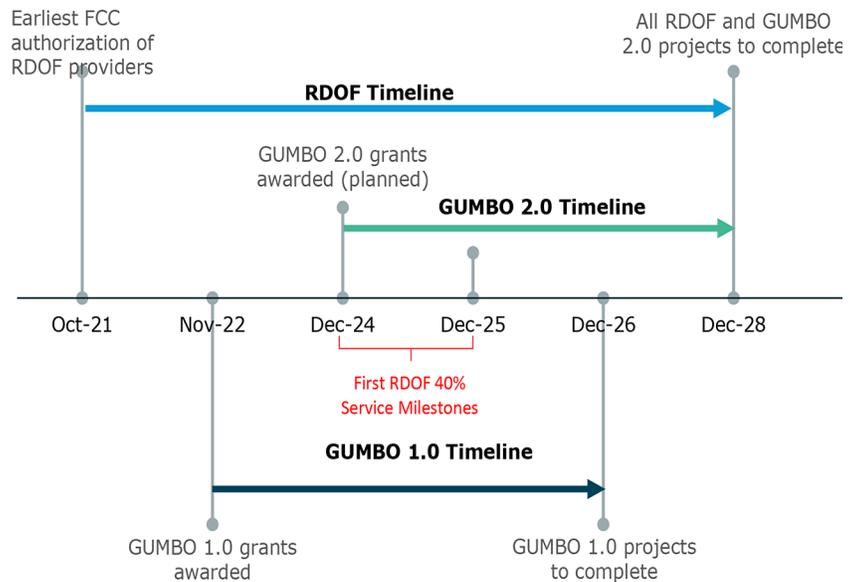
Source: GAO-22-104611

What We Found

Objective 1: To provide information on the status of federally-funded broadband projects in Louisiana

- Based on their status updates, it is unclear whether all RDOF providers will meet the service milestones set by the Federal Communications Commission (FCC). The FCC requires that RDOF providers provide broadband service to 40% of their awarded locations by the end of the third calendar year. However, as of December 2023, three (25.0%) of the 12 providers were still in planning, and approximately 14,500 (9.9%) of the 146,203 RDOF funded locations have broadband access. In addition, due to RDOF's installation schedule, Louisiana will not know whether all RDOF providers will successfully complete their projects before BEAD funding is awarded, which could potentially lead to gaps in broadband services in rural areas of the state.

Timeline of the Three Federally-Funded Broadband Expansion Programs in Louisiana



Source: Prepared by legislative auditor's staff using information from the FCC and ConnectLA.

- As of March 2024, the majority of GUMBO 1.0 projects were in the planning and execution stages. According to ConnectLA, 12,245 (18.5%) of the 66,351 obligated GUMBO 1.0 locations have been served as of March 2024. ConnectLA also stated that providers had submitted payment requests for \$13.4 million (10.2%) of the \$131.4 million awarded, and ConnectLA had approved \$8 million (6.1%) for payment.

Broadband Expansion in Louisiana

Louisiana Public Service Commission (LPSC) and Office of Broadband Development and Connectivity (ConnectLA)

What We Found (Cont.)

Objective 2: To evaluate LPSC's role in designating and re-certifying telecommunication providers that received RDOF funds.

- LPSC could improve its oversight of RDOF providers in Louisiana by ensuring providers comply with LPSC's orders and by reviewing all project information before annually certifying providers. Oversight is important because RDOF is a high-risk program due to providers potentially underbidding, then defaulting on their awards. RDOF providers defaulting could lead to gaps in broadband services in rural areas of the state.

Objective 3: To provide information on ConnectLA's coordination of the expansion and accessibility of broadband services in the state.

- ConnectLA's duties include monitoring the 74 GUMBO 1.0 projects, planning and coordinating the BEAD GUMBO 2.0 program, and developing and implementing the state's digital equity plan. However, ConnectLA's staffing is lower than recommended by the federal government, and the office is set to terminate before BEAD projects are complete. Therefore, the state will likely have to extend the sunset date for ConnectLA to ensure proper oversight of projects. In addition, the task of closing the digital divide is likely to take longer than the next five years for which federal funding is now available, so the state may need to allocate long-term staffing and resources to ensure that long-term goals related to broadband adoption and digital equity are achieved and sustained.

Objective 4: To identify challenges and opportunities related to broadband expansion in Louisiana.

- ConnectLA's map challenge process ended in January 2024, and the results are awaiting National Telecommunications & Information Administration approval. Since ConnectLA has already determined locations eligible for GUMBO 2.0 funding, any defaults by Louisiana RDOF providers could result in gaps in broadband access in rural areas of the state.
- ConnectLA has primarily addressed ways to reduce state-level barriers to broadband expansion; however, many of the delays in the development of broadband infrastructure exist at the local level. Since all BEAD funds awarded to the state must be spent by December 2028, extended permitting reviews could interfere with installations and cause delays in project completion. Other states have taken steps to reduce barriers to broadband expansion at the local level.