



Minnesota Municipal Utilities Association

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Broadband Access

Access to 21st Century high-speed data is crucially important for local economies and the future of rural communities. Yet many rural communities are stuck with 20th century Internet capability. The Legislature has set goals for expanding broadband access in Minnesota but is far from meeting those goals. Meanwhile the idea of local government involvement in providing telecommunications access has received significant unwarranted and misdirected criticism. We in Minnesota finally need to stop pointing fingers and aim our efforts together at solving the problem.

Where service is lacking, communities must be able to offer their own solutions. Cities have proven capable of providing a full range of telecommunications services over the years. Counties are providing cutting-edge communications services. The Southwest Minnesota Broadband Services project (a consortium of eight cities) shows how ordinary people, working through their local governments, can provide high-quality voice, video and data service at reasonable prices.

In Renville and Sibley counties, broadband supporters worked hard and formed a fiber cooperative in an effort to build out a fiber optic network. The project has been enthusiastically supported by rural and city interests alike.

Where public-private partnerships are able to bridge the high-speed digital divide, they should be encouraged and pursued. A perfect example of public-private partnerships exists in the electric utility industry. Municipal, investor-owned and cooperative utilities jointly invest in capital-intensive projects on a regular basis. Utilities do this because they recognize the level of capital needed to improve service, and they realize that an effective way to raise the needed capital is to focus on their common interests and partner with others seeking to invest. Such partnerships have worked in the telecom field as well and serve as models for the cooperative spirit called for in order to connect all of Minnesota.

Recently, city officials in Chattanooga, Tenn., and Wilson, N.C., petitioned the Federal Communications Commission (FCC) to pre-empt state laws in their states that ban cities from expanding their high-speed networks. The cities' actions mark the first effort by municipalities to enlist the FCC in challenging state laws that restrict local governments from offering internet service to residents. Supporters of the federal pre-emption note there are similar restrictions in 20 states. Minnesota is cited as one of these states, due to its supermajority referendum requirement to build a municipally-owned telephone exchange.

It should not take federal intervention in order for Minnesota to remove economic development barriers that stand in the way of long-term growth and stability in Greater Minnesota. Our

communities and businesses need high-quality broadband to be competitive in today's economy. It is essential for business growth that everyone in Greater Minnesota have access to fast, reliable broadband service, regardless of who provides the service.

MMUA Position

Minnesota is lagging in meeting its broadband goals. The Border-to-Border Broadband Fund created by the Legislature in 2014 with \$20 million in competitive grants provided some much-needed help to public and private entities in extending high-speed Internet to areas of rural Minnesota. Still many areas of the state continue struggling to get by at very low data speeds. MMUA supports further appropriation to the Border-to-Border Broadband Fund and the removal of barriers to broadband expansion.