

Albert Lea Tribune (also appeared in the Austin Daily Herald)

Editorial: No more waiting for Broadband

Friday, March 14, 2014

It's time for action on broadband in Greater Minnesota. It's time for Gov. Mark Dayton to follow through on his promises to improve broadband infrastructure.

Many places in rural Minnesota lack Internet access or they must deal with outdated equipment that limit their data capacity. If the Internet providers won't invest in rural America, then local and state governments have every right to take action. Many providers like having a corner on the market so they can provide poor or no service and still make profits.

In modern business, broadband can be just about as important as roads for reaching customers. Think of how crucial country highways have been to the success of metropolitan Minnesota. Cargill headquarters are in Wayzata, but they once were in Albert Lea. How unsuccessful would Cargill have become if the roads in Greater Minnesota were all gravel and no pavement? What if the road makers said rural Minnesota companies must make due with gravel to get products to market?

How many other metro companies grew from rural Minnesota, only to locate headquarters in the Twin Cities? Target's earliest roots go back to the Dayton family in Worthington, Polaris Industries grew out of Roseau and 3M was founded in Twin Harbors, just to name a few.

And what future Fortune 500 companies would Minnesota inhibit or prevent by not providing it with modern-day productivity of broadband infrastructure, like optic fiber instead of cable wire.

What's more, consider how farming becomes evermore complex and how each farm is an agribusiness requiring data and technology. Successful farming needs broadband.

There have been committees, task forces and the usual delay tactics on this topic in St. Paul. All advisory bodies have issued reports on how critical broadband is to the future of the Minnesota economy.

Enough talk. Now is the time to act. We urge Gov. Dayton and the state Legislature to get behind the creation of a \$100 million broadband infrastructure fund to provide assistance to public agencies, private corporations and nonprofit organizations seeking to bring broadband technology to rural Minnesota.

<http://www.albertleatribune.com/2014/03/editorial-no-more-waiting-for-broadband>

<http://www.austindailyherald.com/2014/03/time-has-come-for-broadband/>

Duluth News Tribune

Our view: Need for broadband Internet access is great, and the money is there

Posted on Mar 23, 2014 at 12:00 a.m.

Forgive Sen. Matt Schmit for getting a bit, shall we say, high-spirited, when the topic is the desperate need to expand high-speed Internet deeper into rural Minnesota, including much of the Northland.

The first-term lawmaker from Red Wing, Minn., hit 16 small towns this past winter and pored through more than 450 emails. On some of the most frigid nights and during one of our snowiest, coldest winters ever, he heard the stories — dozens of them at a time, hundreds of them in total — about businesses that can't compete and about would-be Minnesotans who can't come here because they can't telecommute for work. No one was asking for extravagance, just the ability to live and work where they want, outside of big cities, while still being able to survive economically amid 21st-century realities.

“This is vital infrastructure. I think we've got to find a way to make sure that all communities in Minnesota (and) all households and businesses have access,” Sen. Schmit said in an interview this month with the News Tribune Opinion page. “Darn it, we were able to step up and get electricity to all rural homes. We were able to provide telephone service to all rural homes. Broadband is just as important. ... People will say it is more important because we can't compete economically without it. We need it.”

Minnesota has recognized that need for years. But the state never has been better positioned than it is right now to finally do something about it. The public will is there. So is the money.

In the past decade at least three governor's task forces have taken on the challenge. In 2010, lawmakers and then-Gov. Tim Pawlenty took seriously what they were finding and made law a goal of Internet speeds of at least 10 to 20 mbps for downloads and 5 to 10 mbps for uploads statewide by 2015. Though no money was put behind the legislation, the number of Minnesota households with access to such speeds — about fast enough for video chatting — grew

18 percent by 2013, mostly in urban areas.

Still, at least half of Minnesota's households, especially in rural areas and small towns, lack affordable access to the faster speeds. Minnesota ranks a disappointingly average 23rd in broadband availability.

“The question is, are we serious about those goals? Are we serious about being in the top five in connected households and businesses, (which) is also in statute? We're falling short,” Schmit said. “We have to have some additional capital infused into the communities that are underserved currently.”

The latest governor's task force on broadband released its findings in January. It recommended, among other things, the creation of a \$100 million fund from which competitive grants could be awarded to public-private partnerships working to expand high-speed broadband to the far reaches of the state. In rural areas and small towns, too few customers leave private Internet

providers reluctant and unable to go it alone. At the same time, the state shouldn't be expected to foot the entire bill. Private-public partnerships show promise.

But getting that

\$100 million fund created doesn't. While his campaign promises in 2010 included "border-to-border broadband," Gov. Mark Dayton didn't include the allocation — or any allocation for broadband — in his spending recommendations to the Legislature this year. That's even though the state is in good financial shape with a

\$1.2 billion budget surplus, the first time in at least 15 years Minnesota has forecasted a surplus in both the current biennium and the next one. Ignoring the centerpiece recommendation of the experts on his own task force, the governor said there weren't specific enough ideas for how the \$100 million would be used and spent.

Sen. Schmit, who authored legislation for the \$100 million this session, disagreed. And he's far from alone.

"We need to try to leverage any resources we can. This is that important," Schmit said. "This isn't just a matter of spending this money; this is a matter of saying, 'You know, we've got a surplus, we've got a huge need, and this is the time to do something about it. I think it's an appropriate use of that funding. ... Folks are sick and tired of talking about it. They want to act. And we've had community after community working on this for years.'"

At least 50 Minnesota communities have attempted to leverage federal money on their own.

And while Minnesota hems and haws and then doesn't do anything, at least 15 other states are taking action to expand broadband. They're poised to leave Minnesota behind in the global competition for industry, jobs and prosperity. We can't let that happen.

No one disagrees

\$100 million is a lot of money and a major investment, surplus or no surplus. But a Blandin Foundation study found that the return on that investment would be 10:1. So \$100 million now means \$1 billion for Minnesota's future — and a major step toward the \$3.2 billion the Governor's Task Force on Broadband said would be needed in total.

Investing wisely for the future clearly was a goal of Minnesota's pioneers when they made sure every corner of the state had electricity and then telephone service. Broadband demands to happen next. Rarely has the state been in a better position to embrace it.

<http://www.duluthnewtribune.com/content/our-view-need-broadband-internet-access-great-and-money-there>

The Forum of Fargo-Moorhead (also appeared in the Park Rapids Enterprise)

Forum editorial: Fund rural Minnesota broadband

March 14, 2014

Minnesota will never be better positioned to start seriously expanding high-speed broadband into unserved and underserved reaches of the state. In the overwhelming majority of instances, those areas are rural districts and small towns, where there are too few customers per mile for private investors to go it alone.

Legislation in the St. Paul grinder would appropriate \$100 million (a modest start, since the need is said to be about \$3 billion) in a fund that would leverage other monies to finance broadband projects. Individual projects would be competitively bid, and sponsored by such organizations as cooperatives, economic development authorities or consortiums of small business and consumer groups. The partnerships would win grants based on criteria laid out in the legislation.

Apparently that sound model is not good enough for Gov. Mark Dayton. He said the proposal is not specific enough and that he wants certainty about individual projects, rather than proposals to be bid on. Therefore, he said, broadband legislation should wait until the 2015 legislative session.

That would be a mistake. First, the state's political landscape suggests broadband expansion would win support in the Legislature. Second, the state has a surplus and a projected surplus, so the timing to make smart long-term investments, such as rural broadband, is right. Third, potential private sector partners have expressed willingness to participate because state funding makes the numbers work for them.

Greater Minnesota is falling behind in the broadband revolution. The governor's proposed delay assures the state will fall further behind, and that the cost of playing catch up will escalate. The stakeholders in rural broadband expansion know what has to be done and they know how to do it. Customer demand is out there. The economic benefits the technology can bring will, in time, far outweigh initial investments.

Rather than seek a legislative delay, the governor should enthusiastically support legislation that would establish a \$100 million broadband infrastructure fund.

Forum editorials represent the opinion of Forum management and the newspaper's Editorial Board.

<http://www.inforum.com/event/article/id/429291/group/Opinion/>

Fergus Falls Journal

Money should be put into broadband

Published 6:55am Monday, April 14, 2014 Updated 8:56am Monday, April 14, 2014

The bill in the Legislature to help fund the broadband Internet structure to allow more rural Minnesota residents to receive broadband makes abundant sense, especially in Otter Tail County.

The fact is, Otter Tail County's 1,000 lakes, and the reasonably-priced property on them, is a huge economic development asset. Many would be willing to move to Otter Tail County to live and work out of a lake home, and the ever-increasing technological advances make that a possibility for more and more people.

However, having high-speed Internet will be the key to making such a move feasible. And right now, Internet for many lake residents is limited to dial-up, satellite service, or radio antenna service, and none offer the combination of speed and affordability that broadband Internet service provides.

Having Internet service in the lakes area with the same capabilities as that of cities could create future economic development opportunities no one has even thought of yet. In some form, it's critical the Legislature provide the relatively small sum of \$25 million to help get the process started.

<http://www.fergusfallsjournal.com/2014/04/14/money-should-be-put-into-broadband/>

Hutchinson Leader (also appeared in Litchfield Independent Review)

OUR VIEW: Rural broadband short-circuited

Wednesday, March 12, 2014

While nations such as Bulgaria, Latvia and Romania enjoy lightning-speed Internet, many Minnesotans living far from the bright lights of the Twin Cities — and eastern Europe, for that matter — remain second-class citizens of the digital age.

And don't expect the situation to soon improve. On Thursday, major portions of Greater Minnesota suffered a setback when Gov. Mark Dayton declined to reserve part of the state's \$1.2 billion budget surplus to help bring high-speed Internet to all corners of the state.

Rural residents from both sides of the political aisle were hoping the governor would use \$100 million from the surplus to invest in broadband improvements. In a global economy, high-speed Internet is as basic to businesses and homes as electricity and indoor plumbing.

By not pursuing the upgrade yet asking for a repeal of the state's farm equipment repair sales tax, Gov. Dayton is giving mixed messages to those who live outside the metro area. His budget plan acknowledges that agriculture is the economic backbone of the many Minnesota counties and communities. Yet it fails to recognize that agriculture needs the same tools demanded by other industries. That includes broadband.

In announcing his supplemental budget proposal, Gov. Dayton said Minnesota's economy has added 133,000 new jobs during the past three years. "Our improving economy has greatly improved the state's budget forecast — giving us the opportunity to put more money in the pockets of Minnesota families and businesses," he noted.

But even with that extra pocket money, many Minnesota families and business can't obtain terrestrial broadband — because it's not offered in their area.

That can be a deal breaker for rural businesses looking to grow. The governor's own Broad Band Task Force concluded in 2013 that jobs in Greater Minnesota will require the use of state funds to leverage private investments to give a much-needed boost to broadband expansion. The task force recommended \$100 million in public money to kick start a private investment of between \$900 million and \$3.2 billion.

Its report shows just how deep the digital divide goes. In Ramsey and Hennepin counties in the Twin Cities metro area, terrestrial, nonmobile broadband is available to 99 percent of households. Meeker and McLeod counties fare quite well, too, with 98 percent of households served.

But cross into Renville and Sibley counties, and the rates drop to 58 and 51 percent, respectively. In Kandiyohi County, the rate is a dismal 6 percent. Travel farther to Chippewa, Yellow Medicine, Lyon, Murray and Nobles counties, and those rates are also in the single digits.

Glencoe Mayor Randy Wilson last week pointed out Gov. Dayton's error.

“Greater Minnesota leaders from business, local government, education and the nonprofit community ... all agree that a \$100 million investment this year would go a long way to ensuring Minnesota’s competitiveness in the 21st century,” Mayor Wilson noted.

With the governor wanting a tax bill on his desk by March 14, rural lawmakers won’t have enough time to solicit metro support for the cause. That doesn’t bode well for rural Minnesota businesses competing in an international marketplace.

If businesses across the state are to compete with their world rivals, Minnesota policymakers must make broadband access a top economic development priority.

http://gmnp.org/wp-content/uploads/2013/10/EDITORIAL_-_Rural-broadband-short-circuited-Hutchinson-Leader_-_Opinion.pdf

http://www.independentreview.net/news/opinion/our-view-rural-broadband-short-circuited/article_31010175-fda8-59a1-b1ac-667ad5155877.html

Kenyon Leader

Kenyon: This land needs broadband

By Terri Lenz tlenz@thekenyonleader
Wednesday, February 5, 2014

Not every story can resonate with all readers, but the story this week about broadband access and internet strength comes mighty close, in my estimation.

With a reach of 668 people and 28 comments on our [Kenyon Leader Facebook](#) page thread, the topic of internet providers is a hot button issue.

I could compare Internet access to going out for dinner. In a rural town there are not as many choices of restaurants. Out in the country there may not be any restaurants. The menu will vary, as do the prices, and people understand this.

However, people do not want to pay for lobster and receive mac and cheese. When a company promises and bills for high speed internet and the consumer gets slow, spotty speed with lots of buffering time, there is a definite problem.

A restaurant couldn't get away with substituting a far inferior product, so how is it that Internet providers are allowed to do so? In the case of food, people can simply choose to either not eat there or go somewhere else.

Broadband users have choice on the surface, but the fact is that some companies are the only provider available. Furthermore, companies strive to lock consumers into one- and two-year contracts, making it difficult or impossible to change carriers even if service is poor.

The internet is so integrated into our everyday lives that being without it is a genuine hardship for most people. Think about how many times you access the internet during a 24-hour time frame, and don't forget to count cell phone data. Our students come home with assignments and homework that utilize the vast store of information available online. Back in the 1980s I had to go to the library and look up information in printed books to complete my homework. We didn't have Google to search. We didn't have Siri. Heck, we didn't even have cell phones!

Everyday life has changed due to advances in communication technologies, but our infrastructure has not kept up with the pace. Grandmothers are going online to chat with their grandkids on Skype and looking at family photos of loved ones on Facebook. Preschoolers can navigate through online kid games. People in the community and indeed, all over the world, can know in a matter of seconds when the Kenyon-Wanamingo Competition Cheer Team places second at state, thanks to Twitter.

These things are here to stay, to change and evolve. Do you feel the frustration when the internet is "down" or simply not available? What about the frustration of not being able to afford broadband connection where you live? I wonder if there will come a point in our society when the Internet is essential.

Our state provides publicly funded libraries so that information and ideas will be available to all people, regardless of their status or income. I feel that the technological changes of the past two decades are significant enough that people without access to the Internet will be left behind.

It is the freeway to information and communication, and it has some potholes to be filled.

What is being done to create the infrastructure necessary to support broadband access statewide? I have to say that I would support government funding of broadband infrastructure and free internet over a new football stadium any time. What do you think?

Reach Publisher and Editor Terri Lenz at 333-3148, or follow her on [Twitter.com](#) @KenyonLeader.

http://www.southernminn.com/the_kenyon_leader/opinion/editorials/article_a76c3b91-aafd-52d3-b57d-a75d875077a9.html

The Free Press, Mankato, MN

Our View: Broadband expansion key to growth

March 21, 2014

Why it matters: Expanding Internet coverage and speed in greater Minnesota would produce a big return in jobs and business growth

Even a few miles into the rural areas surrounding Mankato, the Internet can be slow as a tortoise. And there are many other areas in greater Minnesota in this race to the bottom.

So an effort to bolster broadband Internet in Minnesota begun years ago was worthwhile and likely to pay dividends. But we're stuck spinning our wheels and our browsers.

State leaders either through necessary legislation or administrative action need to consider strategies of years ago when electricity was brought to rural areas or good roads were established to get farm products to market.

The Governor's Task Force on Broadband recommended the creation of a \$100 million fund that would provide competitive grants to public/private partnerships for increasing broadband access and Internet speed to underserved areas. In fact, a bipartisan Legislature in early 2010 set in state law the Internet speed goals of 10 to 20 mbps for downloads and 5 to 10 mbps for uploads.

While the number of households with access to those speeds grew by 18 percent from 2011 to 2013, according to the task force, there were still half the households in greater Minnesota that lack such access at an affordable rate.

While Gov. Mark Dayton campaigned on expanding broadband access border to border in Minnesota in 2010, he did not propose the \$100 million fund in his budget.

With today's technologies, a high speed and affordable Internet connection is essential to almost every business.

There may be models of the past that will work to expand broadband networks. The state may be able to put more emphasis on broadband through already existing state loan programs. It may be able to expand tax credits like Angel Investor tax credits to have special incentives for broadband projects.

There will be a return to the state through taxes and job growth. A Blandin Foundation-sponsored study showed a \$10 to \$1 return to business for broadband investments in greater Minnesota.

Broadband affordable Internet is to business and the economy today like roads and electricity were decades ago. They're essential.

<http://www.mankatofreepress.com/editorials/x1387878122/Our-View-Broadband-expansion-key-to-growth/print>

The Free Press, Mankato, MN (also appeared in the Owatonna People's Press and Traverse City Record-Eagle)

April 27, 2014

Our View: Senate should free broadband funding hostage

Why it matters: Businesses overwhelmingly agree expansion of broadband will help state's economy. The governor and House agree. But the Senate is silent

If you're looking for yet another disparity between the metros and outstate, look no farther than broadband Internet connections. And the push now is for the Minnesota Senate to help erase that disparity considered crucial for economic growth. So far, it has remained silent.

That's not hyperbole. The Greater Minnesota Partnership surveyed economic development officials, non-profits, chambers of commerce, business people and lawmakers to learn how legislators and local government leaders rank the highest needs for job growth.

Broadband was the number one issue beating out job skills, infrastructure, transportation or tax issues.

The Legislature set goals to expand and improve broadband and the results to date are discouraging. In the metro area, 93 percent of household meet the goals. In outstate, only 56 percent are there, according to the Coalition of Greater MN Cities.

Even in the outstate the disparities are significant. For instance, 96 percent of the households in Waseca County meet the state's goal speed. However, in Blue Earth County, only 19 percent meet the goals.

We're not talking about getting higher speeds for YouTube or Facebook, proponents argue.

Dan Dorman, executive director of the Greater MN Partnership, said during a news conference last week, "We heard from businesses in all parts of the state about the need for better Internet service."

According the GMNP, Minnesota ranks only 23rd in the nation in terms of broadband service.

Even the Governor's Broadband Task Force says the state is not on track to meet the goals by 2015 set by the Legislature.

The Coalition was seeking \$100 million for broadband expansion and upgrades. Gov. Mark Dayton has indicated he supports funding but is keeping the amount close to his vest.

"I have stressed that we need to start modestly, and prove the effectiveness of [these investments]. The goal of having border-to-border cell phone and high-speed Internet coverage is something I said during the campaign. I have believed all along it is important to do."

While far short of the goal, House Speaker Paul Thissen says the House is ready with \$25 million in the House's supplemental spending bill that would go toward Internet infrastructure. Broadband, he said, is "one of the first things that people talk about." Thanks for listening, Mr. Speaker.

But that's where it stops. The Senate has nothing for broadband funding and has been strangely quiet on the issue. One has to wonder if this is not just another bargaining chip for Senate Leader Tom Bakk. The senator has dragged out just about all crucial legislation this session to get his own priorities accepted, such as the new Senate Office Building, which some argue held up the minimum wage approval.

Staking out positions is nothing new in politics, except in this case the executive branch and both houses are led by the same party — the DFL. One would think there would be little need for political posturing in that situation.

Without question there is a debate — albeit a quiet one — that wonders how best to spend the money. Should it be toward increasing speeds or getting more availability to the underserved?

Working on the latter part of that debate has been the Greater Minnesota Broadband Initiative. Enventis, a member of that group, was awarded a \$15 million federal grant and used \$6 million of its own money to build high-capacity networks in 36 rural communities connecting healthcare facilities, schools, libraries, businesses and households.

But more needs to be done. With just two weeks left, the Legislature has time to approve funding for expansion. But it sits with the state Senate to stop using this as a personal bargaining chip and concentrate on what's best for the economy of the state.

<http://www.mankatofreepress.com/editorials/x2117355535/Our-View-Senate-should-free-broadband-funding-hostage/print>

http://www.southernminn.com/owatonna_peoples_press/opinion/guest_columns/article_7768fefe-fd00-59c8-b262-d29e8a5d0ffa.html

<http://www.record-eagle.com/opinion/x2117360929/Another-View-Senate-should-free-broadband-funding>

Mesabi Daily News

Governor: Back broadband now

Posted: Thursday, March 27, 2014 8:45 pm

Gov. Mark Dayton has always expressed himself as a strong supporter of rural Minnesota.

The governor has also proclaimed the “Jobs, jobs, jobs” mantra of former Gov. Rudy Perpich of the Iron Range.

Gov. Dayton has an opportunity to stand behind his oft-repeated pledge as an advocate for rural areas and also for jobs in Greater Minnesota by reversing his stand on \$100 million in funding this legislative session for a Border to Border Broadband Fund.

We implore the governor to do just that in the next couple of days.

Minnesota, supposedly the land of progressivity, is a state with a canyon-like broadband divide between urban and rural areas.

While the Twin Cities and the Rochester and St. Cloud corridors are wired well, the rest of the Gopher State is not. That needs to change — and quickly.

The governor’s own Broadband Task Force recently ranked Minnesota 23rd nationally in terms of broadband speeds. Is that what the governor wants for the state he governs — to be fair to middlin’ when it comes to the vital modern-day infrastructure need of broadband? We say no — we don’t think that’s the governor’s style.

The Border to Border Broadband Fund would provide grants, which would be matched by private, local or federal funds, for businesses, nonprofits and local governments to expand broadband access. The \$100 million will not come close to meeting all the financial broadband needs. But it’s an important beginning that needs to happen now.

Governor, you are a recognized proponent for improvement of the state’s infrastructure — and broadband is most certainly infrastructure in need of being bettered. So why not stand up now, in this legislative session that has been blessed with a significant surplus, for better broadband in rural areas of Minnesota?

In doing so Gov. Dayton, you would be a champion for rural Minnesota on an issue vital to a part of the state that needs a strong voice in the governor’s office in St. Paul.

http://www.virginiamn.com/opinion/article_94a608e8-b61a-11e3-a54a-0019bb2963f4.html

Mesabi Daily News (also published in the Grand Rapids Herald-Review)

We need broadband expansion

Posted: Saturday, April 26, 2014 9:20 pm

We understand some Iron Range legislators' concern about allocation of any funding this session to expand broadband access.

After all, if rural areas such as the Iron Range do not get proper treatment because of our greater need for broadband expansion, then the area is well served by lawmakers from the area driving a tough bargain to ensure we get our fair share of broadband dollars.

We continue to urge at least \$100 million in broadband funding, with a focus on rural areas that are currently much more lacking than in urban settings.

But some comments by Rep. Jason Metsa, DFL-Virginia, in a Mesabi Daily News story last week on the issue are simply baffling.

Metsa said that many northeastern Minnesota residents would be happy with just basic connectivity coupled with a promise of more in the future.

"Your average home consumer up north is happy they can stream Netflix, watch a Youtube video, share videos on Facebook with your family, that's probably the typical use."

Wow!

Well, yes all those things are certainly nice to have. Hey, can't beat a good episode of "House of Cards" on Netflix. But we think Range residents want more than just access to Youtube videos and Netflix and Facebook. They want and deserve much better broadband.

And what about the economic development component of improved and expanded broadband to communities? That alone should have all the region's legislators fighting and fighting hard for every dollar they can get for better broadband on the Range.

Broadband is modern-day infrastructure so critical to the economy of rural Minnesota.

Small businesses represent the majority of job growth in the country. And many businesses, including the Delta Airlines customer service center in Chisholm, are fostering a new workplace environment that allows employees to work from their homes. But that requires good broadband.

In addition, national Small Business Administration statistics show that nearly 50 percent of all new businesses are home-based. And, of course, those businesses require good broadband.

Come on, Rep. Metsa, this issue is about a lot more than Netflix, Facebook and Youtube.

http://www.virginiamn.com/opinion/editorials/we-need-broadband-expansion/article_90a671c4-cdb2-11e3-b5b4-0019bb2963f4.html?mode=print

http://www.grandrapidsmn.com/opinion/we-need-broadband-expansion/article_cdd5bc28-cfdb-11e3-aa60-001a4bcf887a.html

Rochester Post-Bulletin

Our View: Broadband access is an infrastructure necessity

Tuesday, March 4, 2014

It wasn't that long ago when broadband Internet service was an extravagance.

If you lived in a rural area, you accepted the extra time it took to check your email, download a song or stream a movie. This inconvenience was part of the price paid by those who chose to live off the beaten path.

Not anymore. In today's world, broadband Internet service is part of our area's infrastructure, as vital as roads, bridges, electricity and telephone service.

Students need reliable Internet service to keep up in school. Rural businesses without speedy broadband service cannot keep up with their metropolitan competitors. Farmers use broadband-enabled apps to monitor markets and livestock as well as access global positioning systems to map their fields, apply nutrients and even steer their equipment.

But service in rural areas is spotty at best, and in some parts of Minnesota, the "digital divide" is stark. While 92 percent of metropolitan-area households have access to high-quality broadband, just 32 percent in rural Minnesota do. This is not just an issue for remote areas. You can live just a few miles outside of Rochester and be without broadband access.

Minnesota ranks 23rd nationally in terms of broadband speeds, according to a recent report by the Governor's Broadband Task Force, which concluded that \$3.2 billion is needed to provide quality broadband access statewide. The task force's recommendation would put Minnesota in the top five states for broadband access by 2015, but that goal is unlikely to be met.

To narrow that gap, Sen. Matt Schmit, a DFLer from Red Wing, is sponsoring a bill to create a \$100 million Border to Border Broadband Fund, which would award grants and loans to businesses, nonprofits and local governments to expand broadband access. Rep. Erik Simonson, a DFLer from Duluth, is the primary author of the House bill.

The task force estimates the grants, which could be matched by private, local or federal funds, could connect more than 100,000 households to Internet with download speeds of at least 10 megabits per second, its definition of broadband.

Schmit began a series of town hall meetings last weekend on several topics, such as the projected budget surplus, minimum wage, MNsure, transportation funding and silica-sand mining. However, his signature issue this session is rural broadband access.

"I think this is the great equalizer in terms of attracting new families, attracting new business, keeping the family farm in the family and giving folks the sense if they raise a family in rural Minnesota, their kids are not going to be at a disadvantage," said Schmit, who earlier this year conducted a 10-city statewide tour to discuss rural broadband access.

Just as economic growth was spurred in the 1800s by access to flowing water and raw materials and in the 1900s by access to electricity and transportation, progress in the 2000s likely will be determined by access to broadband and human capital.

Broadband is the most dynamic communication tool constructed. With Internet speed now vital for business, education and health care, we can't afford to leave our rural neighbors behind.

State would benefit from sizable broadband fund

- Article by: Editorial Board
- March 19, 2014 - 7:26 PM

Dave Horning says his tire and repair business in Herman is taking a competitive beating because he lacks affordable high-speed Internet and the access to timely supply and pricing information that it would provide.

Justin Dukek wants a bigger market for his signage and advertising business. But with Internet access at only 12 megabits per second, he has trouble serving clients far from his operation in Bagley.

Jody Reisch works for an East Coast company from his home in Luverne; his wife works for a company in Sioux Falls and can work at home, too. That became much more expensive when they moved three years ago and discovered they had lost access to affordable high-speed Internet.

Horning, Dukek and Reisch are among dozens of Greater Minnesota residents who have come to the State Capitol this session to plead for help in improving broadband access. They aren't seeking mere convenience, an exotic lifestyle, or a deep discount at taxpayers' expense. Rather, they're asking that their communities be given a chance to survive economically in the 21st century. That's how essential high-speed Internet has become.

Their pleas deserve heed. In fact, a meaningful response from state government is past due. In 2010, the Legislature and then-Gov. Tim Pawlenty set in law the goal of at least 10 to 20 mbps for downloads and 5 to 10 mbps for uploads throughout Minnesota by 2015. But no state funds were applied to that effort that year, or since.

The market hasn't stood still in the intervening years. The share of state households with Internet service at or exceeding those speeds grew by 18 percentage points from April 2011 to October 2013, according to a report of the Governor's Task Force on Broadband.

But that leaves nearly 30 percent of Minnesotans, and more than half of Greater Minnesota residents, still lacking affordable access — and, too often, any access at all — to the Internet speeds required to conduct a video chat or participate in a webinar. Forget about taking an online high school or college class, consulting with a physician in another city about a changing medical condition or serving business clients around the world.

The Governor's Task Force does not think the state's statutory broadband goal can be reached by the end of 2015, or anytime soon, without state and local government giving the market a push. Gov. Mark Dayton said recently that he concurs in that assessment. But his spending recommendations to the 2014 Legislature did not include his task force's recommended remedy — a \$100 million fund, from which competitive grants would be awarded to public-private partnerships committed to bringing broadband to places without it.

Dayton, who campaigned in 2010 on a promise to achieve “border-to-border broadband,” said on March 6 that he does not believe applications for grants would be sufficient to warrant creation of a fund this year. Advocates counter that such projects will never appear without a state

incentive for their creation. That argument rings true. If market forces alone were sufficient, Minnesota would not rank 23rd among the 50 states in broadband availability.

The time is right to initiate a broadband incentive fund for another reason: This year, the state can afford it. That could not have been said through most of the last 14 years. An improving economy is generating forecasted revenues through June 30, 2015, that exceed scheduled expenditures by \$1.2 billion.

About half of that surplus appears headed for tax relief, including the repeal of an ill-advised sales tax on telecommunications equipment enacted last year. Repealing that tax is among the recommendations of the broadband task force. It's much in order. But that tax has been collected for less than a year. Clearly, an additional prod is needed. Establishing a competitive grant to leverage private and local government investments in broadband would be a fitting onetime use of a surplus that may not recur.

More significant is the prospect of a substantial and lasting return on the investment. For Greater Minnesota businesses, a \$10-for-\$1 return was projected by a recent analysis sponsored by the Blandin Foundation. Conversely, the cost of not investing is the continuation of what a Moody's report described last year as "increasing divergence" between the state's metro and non-metro economies. That's a costly and damaging trend.

Is an eye-popping \$100 million fund needed this year? A smaller amount might be considered a down payment. But it will take a substantial sum, wisely used to leverage other funds and applied to areas of greatest need, to make a dent in a deficiency that will cost upward of \$3 billion to completely eliminate. The conventional legislative competition for dollars tends to whittle big proposals down. But the opportunity to boost Greater Minnesota's potential, and the downside of inaction, should raise this proposal to unconventional status.

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Greater Minnesota broadband: An energizing effort

- Article by: LORI STURDEVANT
- March 21, 2014

It does a Capitol veteran good to see a rookie legislator grab a complicated issue, hustle around the state to learn about it at hearings, and come up with a fresh problem-solving proposal.

But when Sen. Matt Schmit, DFL-Red Wing, told me two months ago that his idea to bring better Internet service to Greater Minnesota involved the creation of a \$100 million matching fund, I nearly choked stifling a hoot.

A hundred million? In cash? Nobody gets that much. Certainly not a freshman. Mighty Minneapolis is going to have a tough time getting one-fourth that sum for its prized Nicollet Mall in this year's bonding bill.

But then Schmit said something about broadband being the 21st century's version of rural electrification and his proposed fund a philosophical descendant of the REA, and my cynicism began to melt into memories.

Grandma spoke often about the day in the 1940s when electricity finally came to the farm in South Dakota and she could end her daily ritual of washing the kerosene lamp's sooty glass chimney. (It needed frequent washing to provide enough light for a few cherished minutes of reading after a long day of chores.)

The Rural Electrification Administration, created by Congress in 1935, demonstrated the value of government intervention in the private marketplace for the sake of economic viability in rural America. It provided a legal mechanism and loan financing for the establishment of cooperatives that would affordably bring electricity to the nation's farms. Electrical service had reached only 10 percent of the rural dwellers in 1930. As a result of REA, it was 50 percent in 1942 and nearly all of them a decade later.

Electricity on the nation's farms was about a lot more than lights. Eventually, it was about milking machines, water pumps, choppers, refrigeration. It powered heat lamps for Grandma's broods of baby chicks.

By the same token, high-speed Internet in Greater Minnesota isn't about entertainment. It's about participation in the modern economy — agriculture, manufacturing, retail, health care, education. In every realm, robust, affordable Internet service is now essential infrastructure. As of last year, fewer than half of Greater Minnesota dwellers had it.

The broadband proposal that a host of Greater Minnesota advocates are promoting at the Legislature this year isn't REA's twin. It's not intended to lead to a new batch of co-ops, though some might arise. It aims instead to help local jurisdictions work with private Internet providers to hasten broadband's buildout. The \$100 million would fund matching grants, awarded to public-private partnerships via a competitive process administered by the old hands at such things at the state Department of Employment and Economic Development.

The \$100 million number isn't Schmit's idea. It's the recommendation of the Governor's Task Force on Broadband, chaired by former Minnesota House Speaker Margaret Anderson Kelliher, now CEO of the Minnesota High Tech Association. Former Republican Rep. Dan Dorman of Albert Lea is also much involved as executive director of the Greater Minnesota Partnership, a new advocacy force this year.

Schmit, 34, is the eager Senate sponsor of the idea. (His House opposite number is Rep. Erik Simonson of Duluth.) A Red Wing native, Schmit is a public policy wonk with a scientific bent. He was a biology and political science double major at St. John's University. He caught my eye when, of his own volition, he arranged 18 public meetings throughout the state in November and schooled himself to become the Senate DFL broadband policy expert.

That's a role that has gone mostly unfilled since the departure of former state Sen. Steve Kelley in 2006. I'd count a rural broadband buildout as one of a number of policy strands that were being gathered at the State Capitol 10 or 12 years ago in hopes of knitting them into a stronger state. Then they were dropped as recession, recurring deficits and partisan discord took hold.

"What we've been forced to do ... is make short-term decisions about how are we going to get through the next months," House Speaker Paul Thissen observed a few months ago. With surplus revenues now in forecast, "we can do the job that we really should be doing, which is to ask, 'What do we want to look like five or ten years from now? And what can we do today to make sure we can get there?'"

Despite that worthy sentiment, Thissen and other DFL leaders have looked out for the near term nicely since the session started, delivering a quick shot of tax relief to thousands of Minnesotans. I hope the state's long-term needs get their due in what remains of this lawmaking season. I hope legislators see that a state government push for broadband is very much due.

Lori Sturdevant, a Star Tribune editorial writer, is at lsturdevant@startribune.com.

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West Central Tribune

Editorial: Time to invest in outstate broadband, outstate families and businesses need it

By [Tribune Opinion](#) on Mar 13, 2014

The time has come for our Legislature and Gov. Mark Dayton to step up and invest in broadband Internet across Greater Minnesota.

The Legislature stated four years ago that every household within Minnesota should have access to high-speed broadband Internet by 2015.

It is not happening.

Minnesota currently ranks only 23rd in broadband service, with about 71 percent of households having broadband access, according to Connect Minnesota.

More than half of Minnesota households in Greater Minnesota lack wired broadband with download speeds of 10 megabits per second, according to Connect Minnesota. This indicates that parts of Minnesota are falling even farther behind without sufficient broadband capabilities.

This is crucial when one considers that Greater Minnesota citizens and businesses often have higher costs and distances to travel for business, education, family or travel reasons. These are all areas that can benefit from adequate broadband access, which helps level the playing field for all Minnesotans and their businesses.

A primary recommendation from the Governor's Task Force on Broadband in its 2014 report was for Minnesota to create and fund a \$100 million Broadband Infrastructure Fund. This program would provide loans or grants to providers to establish and improve broadband access in Minnesota's outstate regions. Minnesota's estimated need is more than \$3.2 billion to provide adequate broadband infrastructure throughout the state.

Dayton did not include funding for the broadband program in his latest budget proposal. That is disappointing.

Broadband access is a growing issue in Greater Minnesota and these regions can no longer wait until next year.

The Legislature should pass and Dayton should sign a bill creating a Broadband Infrastructure Fund to facilitate installation and improvement of broadband access across Greater Minnesota.

<http://www.wctrib.com/content/editorial-time-invest-outstate-broadband-outstate-families-and-businesses-need-it>

Worthington Daily Globe

Editorial: Invest in high-speed broadband access

By [Daily Globe](#) on Mar 24, 2014

According to a report from the Governor's Task Force on Broadband, nearly 30 percent of Minnesotans — and more than half of folks living in Greater Minnesota — lack affordable broadband access.

In Nobles County, according to data distributed by the Coalition of Greater Minnesota Cities earlier this month, a mere 5.27 percent of households are connected at speeds of at least 25 mbps (megabits per second) for downloads and 6 mbps for uploads. That's a sharp contrast to Anoka County, where 96.74 percent of households have broadband connections at those speeds. Other rural counties are even worse off for broadband access than Nobles — Murray (1.88 percent), for instance — but just a few miles east of Worthington sees Jackson County at a 68.67 percent optimal connection rate.

When it comes to moving forward on the information superhighway, it's clear that our backyard is traveling in the slow lane. That almost certainly has to change. Business, first and foremost, is done with greater frequency online, and competing with entities around the world and communicating with a global market necessitates reliable, rapid connections. Even 21st-century farming is becoming reliant on broadband nowadays; so are sectors like health care and education.

So what can be done? The aforementioned task force has recommended the creation of a \$100 million fund by the state. Communities, co-ops, private partners and non-profit organizations would be awarded money based on specific criteria. The concept would not be new — more than a dozen states already have similar programs.

While \$100 million may be a lot to set aside this year, it can't be argued that the current budget surplus presents an opportunity for broadband investment in some significant degree. For many, it's a small price if the alternative is being left behind on an ever-faster highway.

<http://www.dglobe.com/content/editorial-invest-high-speed-broadband-access>