



March 2, 2022

Re: Support for SF 3476 – Financial assistance for a broadband line extension grant program to extend broadband service to unserved areas

Dear Chair Westrom and members of the Senate Committee on Agriculture and Rural Development Finance and Policy Committee:

The League of Minnesota Cities appreciates the opportunity to provide our comments in support of SF 3476 (M. Johnson) that establishes a broadband line extension program for unserved locations. SF 3476 is in line with the League's priorities to implement state solutions and deploy resources to ensure broadband is universally accessible to all Minnesota residents and businesses. As Minnesota prepares to utilize state and federal funding to deploy broadband infrastructure in the hardest-to-reach areas of the state, SF 3476 provides another important mechanism to ensure that no homes or businesses are left behind.

Reliable broadband internet access is essential infrastructure needed by cities to compete in a global digital economy. As the COVID-19 pandemic recovery continues, cities across Minnesota are working diligently to grow their local economies and ensure that residents and local businesses can access critical services and compete in an increasingly more digital world no matter where they are in the state. However, many communities in Minnesota lack the infrastructure needed to provide reliable broadband at affordable prices. Because of high fixed costs for broadband infrastructure, low population density, and lack of return-on-investment for private sector providers, many cities especially in greater Minnesota have found it impossible to facilitate broadband access.

In many cases, state and federal resources have worked to deploy middle-mile infrastructure to provide broadband access to large swaths of a city and its surroundings. However, existing programs often are not scaled small enough to deploy individual connections needed to serve certain homes and businesses that have unique barriers for deployment such as an isolated location or a long driveway, which can make servicing those addresses cost prohibitive.

SF 3476 will provide another mechanism to connect residents and businesses lacking access to broadband that have unique challenges in getting connected. A line extension program that allows up to \$25,000 in project cost assistance as well as more opportunities for broadband providers to deploy infrastructure using broadband easements is an important step if Minnesota is to meet its broadband access goals. Please join us in our support for SF 3476.

Thank you for your consideration and your support.

Sincerely,

A handwritten signature in black ink that reads 'Daniel Lightfoot'. The signature is written in a cursive, flowing style.

Daniel Lightfoot
Intergovernmental Relations Representative
League of Minnesota Cities