



March 8, 2024

Representative Zack Stephenson
Chair, House Committee on Commerce Finance and Policy
449 State Office Building
St. Paul, MN 55155

Dear Chairman Stephenson,

Even after years of progress boosting broadband adoption and digital participation in underserved communities, [one-quarter of Hispanic adults nationwide](#) still don't subscribe to home internet service. Narrowing this digital divide is one of the great civil rights challenges of our time – but two new Franchise Fee proposals the Minnesota Legislature is considering would represent significant steps backward.

HF 4182, the inaccurately named “Equal Access to Broadband Act”, would instead make broadband service less affordable for vulnerable families by adding an uncapped Broadband Tax on top of consumers' home internet bills. SF 3930 would go further still, empowering multiple levels of government – from cities and counties to local school boards – to each layer their own taxes on top of the subscription fees consumers pay for streaming services, news sites, and other digital subscription services.

Advocacy organizations and civil rights advocates have long understood that broadband affordability is a cornerstone of digital equity. Public sector programs like the Affordable Connectivity Program (ACP), alongside private sector initiatives like Comcast's [Internet Essentials](#), Spectrum's [Internet Assist](#), and AT&T's [Access](#) program, have helped narrow the digital divide by ensuring all Americans can afford to sign up for home internet service.

But increasing consumers' bills via Minnesota's proposed broadband and streaming taxes – especially at a time when the [ACP's future is in doubt](#) – can undermine and threaten this progress.

As FCC Chairwoman Jessica Rosenworcel recently explained, “Making [broadband] service more expensive could harm those who may already be struggling to get and stay connected.” While the Chairwoman expressed that view in the context of separate federal proposals, her point is just as relevant to HF 4182 and SF 3930.

We strongly urge you to reject HF 4182 and SF 3930. Local communities looking for new revenue sources have better options than driving up consumers’ cost for broadband and other vital digital services.

Sincerely,



Rosa Mendoza
President & CEO, ALLvanza

cc: Rep. Carlie Kotyza-Witthuhn, Vice Chair

cc: Rep. Tim O'Driscoll, Republican Lead

cc: Members of the House Committee on Commerce Finance and Policy

March 8, 2024

Representative Zack Stephenson, Chair
House Committee on Commerce Finance and Policy
449 State Office Building
St. Paul, MN 55155

Representative Carlie Kotyza-Witthuhn, Vice Chair
House Committee on Commerce Finance and Policy
567 State Office Building
St. Paul, MN 55155

Dear Chair Stephenson and Vice Chair Kotyza-Witthuhn:

Business Forward is a trade group that has helped more than 270,000 local business leaders across the U.S. make the “business case” for infrastructure investment, affordable healthcare, climate action, digital equity, and other pro-growth policies. More than 4,000 Minnesota entrepreneurs, small business owners, and executives have participated in a Business Forward briefing.

We have conducted hundreds of briefings across the country on technology and innovation policy issues, and we proudly help organize local business leaders in support of President Biden’s Infrastructure Investment & Jobs Act, which committed \$65 billion toward the goal of “Internet for All.”

President Biden’s ambitious digital equity agenda is built on the principle of making home internet service affordable for all Americans. The \$42 billion Broadband Equity, Access, and Deployment (BEAD) Program, for example, will subsidize the construction of high-speed networks in unserved and underserved communities, where higher construction costs and low population densities would otherwise make broadband networks prohibitively expensive. The Affordable Connectivity Program (ACP), similarly, has lowered or eliminated the out-of-pocket cost of monthly internet service for low-income families, helping to narrow the digital divide.

But where these progressive federal policies are successfully lowering the cost of broadband, two franchising bills now being considered by your committee would instead *increase* consumers’ costs by imposing new taxes on home internet & landline phone service (HF 4182) and digital subscription services (SF 3930). While inflation has cooled off, increasing the cost of internet access and streaming services – particularly at a time when the ACP is about to run out of money – defeats our larger purpose of expanding broadband access and closing the digital divide.

I urge the committee to reject these bills.

Sincerely,



James Doyle
President
Business Forward Inc.
655 15th Street NW, Suite 580
Washington, DC 20005

Minnesotans Can't Afford the Broadband Service Tax

The expansion of broadband services is more critical than ever, and access to fast, reliable broadband and telecommunication services is a vital lifeline for Minnesotans. **Oppose the Broadband Service Tax (HF 4182/SF 4262)** because it will:

- ✗ Widen the digital divide
- ✗ Inflate the cost of essential broadband services
- ✗ Dramatically slow broadband investment in Minnesota
- ✗ Create inequitable, insurmountable barriers to access vital information and digital tools
- ✗ Authorize every unit of local government to assess a new tax on each service delivered by a broadband provider

SAMPLE



MONTHLY BILL

Mr. Average Minnesotan
123 Anywhere St
Oakdale, MN

Account Number: 000 00 000
Due Date: 05/20/2024

DESCRIPTION	AMOUNT
Broadband Internet Services	49.99
VoIP Service	19.99
Cable Service	49.99
Home Security	10.00
On Demand Rentals	5.99
State Tax (6.875%)	9.35
Cable Franchise Fee (5%)	2.50
Public, Educational & Governmental Fee (2.25%)	2.50
Washington County Franchise Fee on Broadband-Enabled Services	6.66
City of Oakdale Franchise Fee on Broadband-Enabled Services	3.38
ISD 622 Franchise Fee on Broadband-Enabled Services	2.84
Ramsey Washington Suburban Cable Commission Franchise Fee on Broadband-Enabled Services	5.80

Subtotal \$ 135.96

Franchise Fees (14%) \$ 18.68

Amount Due \$ 168.99

* The amount of franchise fee each local unit of government can charge on each service is unlimited. The amounts shown on this sample invoice are hypothetical and could be higher or lower.





Chisago Lakes TV

March 8, 2024

Dear Chair Stephenson and Members of the House Commerce Committee:

The Chisago Lakes Cable Commission and Chisago Lakes TV representing the cities of Chisago City, Lindstrom & Shafer MN are writing in support of The Equal Access to Broadband Act HF 4182.

The Equal Access to Broadband Act will allow local governments to negotiate franchise agreements for use of the public rights-of-way by broadband providers. Minnesota communities have a 44-year history of franchising cable TV providers, and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools and non-profits. LOCAL franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of LOCAL Community Television. ***Chisago Lakes TV and community television stations across the state*** rely on cable TV franchise fees and PEG fees to support coverage of local government meetings, candidate and election programming, sports, news, business and chamber of commerce, education and health, community events and festivals, music, arts, nonprofits that allow residents to engage in our community.

Chisago Lakes TV has also been able to make practical use of these funds and work closely with students and teachers in our Chisago Lakes high school who have a desire and passion to learn more about media production and local news journalism. This programming has become essential with the loss of local newspapers in many markets. While our programs are distributed on many digital platforms such as YouTube, Facebook, Apple, Roku, & Amazon, franchise fees are paid ONLY on (decreasing) traditional cable TV service. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community. More funding means more community involvement and more community information availability. Chisago Lakes TV has become a well know face in the Chisago, Lindstrom, Shafer area, and we love highlighting the amazing stories our community must share. There are many community stories that we are simply not able to cover, because the limited funds from decreasing cable subscriptions just doesn't allow us to bring in the needed help it requires to produce as many videos as we would like to.

Please let me know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Paul Peterson

Coordinator

Chisago Lakes TV • Chisago Lakes, MN

March 10, 2024

Chair Zach Stephenson
Commerce Finance and Policy Committee
Minnesota House of Representatives

Re: HF 4182 – Equal Access to Broadband Act

Dear Chair Stephenson and Committee Members,


The City of Minneapolis is pleased to support HF 4182, the Equal Access to Broadband Act. This legislation will allow cities throughout the state of Minnesota to ensure their residents will have equal access to the same quality of broadband service no matter what neighborhood they live in.

We know local franchising works. When cable television was an emerging technology, the state of Minnesota enacted the 1973 Minnesota Cable Act authorizing local franchising of cable systems. When the City of Minneapolis authorized its first cable franchise, it required that every ward be served over a reasonable period of time. Through local franchising, the franchised cable operator has been required to provide the same quality of cable service to all residents in the City. However, local franchising applies only to cable companies and not to phone or broadband-only companies.

Broadband is provided by cable, phone, and broadband-only companies. HF 4182 would modernize local franchising to allow local franchising of broadband provided by all of these companies. This will lead to more equitable deployment of broadband quality of service to all residents, greater consumer protections, and public benefits such as access television funding and digital training and opportunities for residents.

Again, thank you for your consideration of the Equal Access to Broadband Act. We urge the committee to support this important legislation.

Sincerely,



Katie Topinka
Director, Intergovernmental Relations



March 8, 2024

The Honorable Rep. Zack Stephenson, Chairman
House Committee on Commerce Finance & Policy
449 State Office Building
St. Paul, MN 55155

Dear Chair Stephenson and Members of the House Commerce Committee,

The City of Saint Paul is writing in support of the **Equal Access to Broadband Act HF 4182**.

The Equal Access to Broadband Act will allow local governments like the City of Saint Paul to negotiate franchise agreements for use of the public rights-of-way by broadband providers. Minnesota communities have a 44-year history of franchising cable TV providers, and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools, and nonprofits. Local franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of local community television. The City of Saint Paul's Comcast Channel 18 and 859 rely on cable TV franchise fees and PEG fees. This funding supports diverse local coverage that empowers residents to engage in our community. This programming includes government meeting broadcasts, candidate and election programming, community event and festival coverage, business and chamber of commerce updates, education and health updates, and local news, sports, art, music, and nonprofit programming. This programming has become essential with the loss of local newspapers in many markets. While our programs are distributed across many digital platforms, franchise fees are paid ONLY on traditional cable TV service, which is fast shrinking. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community.

Please let us know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Jaime Wascalus
Chief Information Officer
City of Saint Paul



March 11, 2024

Representative Zack Stephenson
Chair, House Committee on Commerce Finance and Policy
449 State Office Building
St. Paul, MN 55155

Dear Chairman Stephenson:

Center for New Liberalism is a national grassroots organization with over 55 chapters Nationwide including Twin Cities which encompasses Minneapolis, Minnesota. We believe in core liberal principles like democratic representation, equality before the law, an open society, and the freedom of speech, association, religion, and expression.

We write urging you to reject HF 4182, the misnamed “Equal Access to Broadband Act”, which would actually drive up broadband prices and set back the critical national priority of universal access to affordable internet service. For CNL’s digital-first members and many communities that rely on broadband service for news, education, work, health care, access to government and more, HF 4182 presents a huge obstacle to full participation in civic and community life.

Affordable broadband is already facing a huge challenge as the federal Affordable Connectivity Program which 23 million American families rely on for \$30/month in broadband support has begun [winding down](#) and is fully funded only through April 2024.

Minnesota’s proposal to pile on massive new local broadband taxes through HF 4182 would only make a bad situation worse. The bill would empower local governments to impose costly and duplicative “franchise fee” assessments on broadband access networks as well as services they carry like digital streaming, voice calls, and even home security. Those new costs would invariably be passed on to consumers as a deeply regressive tax, hitting young and digital-first households especially hard.

Minnesota has made great strides closing the digital divide and is widely lauded for promoting broadband deployment to hard to reach areas and encouraging every citizen to get online and participate fully in the many benefits of digital life. But this bill would set those efforts back and erect new obstacles in the way of lower income families and working people trying to get online.



Please oppose HF 4182 and stand up for affordable broadband for all Minnesotans.

Sincerely,

Matti Miranda
Center for New Liberalism

cc: Rep. Carlie Kotyza-Witthuhn, Vice Chair
cc: Rep. Tim O'Driscoll, Republican Lead
cc: Members of the House Committee on Commerce Finance and Policy



**Testimony of
JEREMY CRANDALL
CTIA**

**In Opposition to
HF 4182**

**Before the
Minnesota House Commerce Finance and Policy Committee**

March 11, 2024

Chair, Vice Chair and members of the committee, on behalf of CTIA®, the trade association for the wireless communications industry, I am testifying in opposition to HF 4182, which would create an entirely new and unnecessary broadband deployment franchise fee. This legislation will stifle the wireless industry's efforts to expand networks and improve connectivity, create vague and unnecessary permitting and deployment policies and runs afoul of federal law.

There are several provisions in HF 4182 that are clearly prohibited by the federal Communications Act and the FCC's 2018 State and Local Order on small cell deployment and would likely face legal challenge in federal court. They include the following:

- The bill allows localities to charge a franchise fee to raise revenues, defray expenses or both, and deletes the requirement that fees on telecommunications users for use of the ROW be cost-based. This provision is prohibited by Section 253 per the FCC's 2018 State/Local Order, which the Ninth Circuit upheld. *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, 36 FCC Rcd 9088 at ¶¶ 72-76 (2018), *aff'd in part sub nom. City of Portland v. United States*, 969 F.3d 1020 (9th Cir. 2020).
- The bill allows franchise fees to be based on the broadband provider's gross or net revenues. This provision violates the FCC 2018 State/Local Order's requirement that any fees be cost-based. In addition, several courts have found that revenue-based fees



violate Section 253. See, e.g., *XO Missouri v. City of Maryland Heights*, 256 F. Supp. 987 (E.D. Mo. 2003).

- Finally, the bill allows localities to prevent a provider from offering service without first obtaining a franchise. If the requirements are sufficiently extensive, this franchising requirement could violate the prohibition in Section 332 of the federal Communications Act, which preempts state and local entry requirements with respect to wireless providers.

Additionally, there are a number of provisions in HF 4182 that are vague, duplicative and outright unnecessary. They include the following:

- The bill enables localities to require “broadband” providers – including wireless – to obtain a franchise, effectively preventing a provider from offering service without first obtaining a franchise but provides no guardrails on what obligations localities can impose as conditions.
- Current law grants a number of rights to “telecommunications right of way users,” and this expressly includes wireless providers. However, HF 4182 would be amended to cover “telecommunications services” instead, and a new subsection would be added that excludes “broadband service.” In practice, to the extent a wireless carrier provides broadband service, the net effect of these amendments could remove *existing* rights for wireless providers. This would have significant implications since the section related to “telecommunications right of way users” is what provides the current rights to use the right-of-way and also includes provisions regarding small wireless facilities.
- Current state law already protects the role of localities to oversee and recover costs associated with the management of rights-of-way (ROW). If the policy goal is to ensure localities have the resources to manage their ROW infrastructure, HF 4182 is unnecessary.

At a time of exploding consumer demand for wireless services and a once-in-a-generation investment in broadband from the federal government through the Broadband Equity, Access and Deployment (BEAD) program, our industry is working hard to deploy and upgrade



infrastructure and create jobs and economic growth for Minnesota communities. Success in these efforts depends on regulatory certainty for our members, whose capital budgets are created 18-24 months in advance. Our members focus resources in states and localities with a regulatory framework that welcomes investment. This predictability fuels economic growth in Minnesota, where our industry supports approximately 57,000 jobs and generates \$5.7 billion in state GDP growth. With Minnesota slated to receive \$650 million in federal funding through the BEAD program, creating more regulatory hurdles and barriers like those outlined in HF 4182 will only slow deployment and put economic growth at risk. Given the significant legal and policy issues included in this bill, we oppose HF 4182.



CITY OF
SAVAGE
MINNESOTA

CITY HALL
6000 McColl Drive
Savage, MN 55378

☎ 952-882-2660
🖨 952-882-2656
✉ comments@cityofsavage.com
🌐 cityofsavage.com

March 8, 2024

Dear Chair Stephenson and Members of the House Commerce Committee:

The City of Savage is writing in support of The Equal Access to Broadband Act HF 4182. The Equal Access to Broadband Act will allow local governments to negotiate franchise agreements for broadband providers' use of the public right-of-way. Minnesota communities have a 44-year history of franchising cable TV providers, and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools, and non-profits. Local franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of local community television. Community television is a valuable city service that provides a vital connection to our local communities and covers hyperlocal news not met by regional, state, or national media. It engages residents by providing neutral, unbiased coverage of public meetings, city services, and local elections. And it enriches lives by spotlighting high school sports, local concerts, and community events.

Unfortunately, many community television stations like SAVAGE TV are experiencing significant budget losses due to subscribers abandoning traditional cable services or "cord-cutting." Since the current funding structure is limited to receiving franchise fees and PEG fees from conventional cable TV revenues only, as cable subscribers drop, so does community television funding. We expect our station to face a revenue decrease of 39.5% in 2024. While we distribute our programming on multiple platforms, including cable TV, online streaming, and social media, only the cable operator is required to provide financial support, and only on their traditional cable TV service, not their streaming or internet services.

Please let us know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Emily Gunderson
Communications Manager

Cc. Senator Lindsey Port
Representative Jessica Hanson

Chair Stephensen, Representative Niska, distinguished members of the committee, I stand before you today not just as a man with a job—or three—but as a citizen concerned about connectivity in the state of Minnesota.

My name is Matt Woestehoff. I navigate the complexities of running an IT Managed Services company. I am a board member for the Quad Cities Cable Commission. And, I serve on the city council in Ramsey. These aren't just titles; they're vantage points from which I've witnessed the critical importance—and fragility—of our broadband infrastructure.

Let's talk about a state that's doing it right: North Dakota. Yes, the best state in the country for broadband is North Dakota—where the internet runs like the Red River, fast and wide, reaching corners of their state that our current infrastructure can barely dream of. It's an unlikely benchmark, but here we are, debating whether we should step up to ensure all Minnesotans can access the digital highway, not just watch it from the roadside.

HF4182, the Equal Access to Broadband Act, isn't about mandating how local governments manage their right of ways; it's about choice. It's about allowing those of us in the trenches—city councils, local boards—to decide if we want to leverage franchise fees to not just pave our streets but to lay down the digital roads of the future. In Ramsey, we faced the franchise fee question head-on, only to reassess when the winds changed. The point? We had the choice.

This isn't just about keeping pace with our neighbors or ensuring our businesses and remote workers aren't left in the digital dust. It's about acknowledging that the internet is as vital as water and electricity. It's about recognizing that without action, we risk widening the digital divide, segregating our communities not just by lines on a map, but by their access to information- to opportunity.

The issue of funding community television, of ensuring our rural areas aren't left behind, of granting municipalities the autonomy to shape their digital destinies—these are not small concerns. They are indicative of the larger challenges we face in adapting to a world where connectivity is no longer a luxury; it's a necessity.

So, I urge you, let's not be content to trail behind North Dakota or any other state in this digital race. Support HF4182 and affirm our commitment to giving every Minnesotan, regardless of where they live or work, the access to broadband they deserve.

I thank you for your time, your service, and your consideration of my testimony today.



Toni Broberg
Gigapower
311 S. Akard
21st Floor
Dallas, TX 75202

March 8, 2024

The Honorable Zack Stephenson
Chair
Commerce Finance and Policy Committee
Minnesota House of Representatives
381 State Office Building
St. Paul, MN 55155

Dear Chair Stephenson:

On behalf of Gigapower, a joint venture between AT&T and BlackRock, I am writing to express concerns about HF 4182, the Equal Access to Broadband Act.

As a wholesale broadband transport service provider, Gigapower is committed to enhancing broadband access in Minnesota. Gigapower recently announced expansion its state-of-the-art fiber network to Bloomington, Eden Prairie, Eagan, Savage, Apple Valley, Burnsville, Farmington, Lakeville, Rosemount and Shakopee. We appreciate the Legislature's efforts to ensure that every resident has access to high-quality internet services. Our mission aligns with your objectives: to deliver faster internet speeds and foster a more competitive market for internet providers, ensuring that the benefits of digital connectivity reach every corner of the state.

While we agree with your objectives to bring broadband internet technology to underserved and unserved areas, there are critical aspects of the bill that merit reevaluation due to their potential to impede the progress we aim to achieve together. The mandate for municipal franchise agreements introduces delay into the process. Fees for the utilization of public rights-of-way potentially create a substantial financial consideration to building in the state.

Moreover, the bill presents a complex regulatory landscape that could hinder our deployment of broadband infrastructure efficiently. The prospect of varying requirements across multiple local jurisdictions adds a burdensome layer of administration, increases

project timelines, and inflates costs, which could decelerate the expansion of broadband services. The approach to coordinating with local governments, as proposed, may result in disparate standards and expectations, leading to significant challenges in planning and implementing broadband deployment projects consistently. A more effective way is to consider a state-wide structure and fee, thereby avoiding a patchwork of varying municipal approaches.

When Gigapower invests in a market, many factors are taken into consideration. Minnesota is known for its innovative business climate and streamlined regulatory and governmental processes. We would be remiss not to mention the impact Gigapower has on the local economy, not only through direct capital investment but also by supporting the community with a robust ecosystem of contractors, workforce consultants, and ancillary businesses. This multifaceted contribution to the workforce enhances local economies and supports Minnesota's standing as a hub of progress. It is our hope that through collaborative discussion, we can align on the nuances of the bill to ensure it fosters an environment conducive to the growth and sustainability of broadband access across Minnesota.

In light of these concerns, we respectfully urge the Legislature to consider modifications to HF 4182 that address these issues. We are committed to working with the Legislature, local governments, and other stakeholders to ensure that all of Minnesota has access to fast, reliable, and competitive broadband services.

Sincerely,

Toni Broberg
Vice President External Affairs
Gigapower, LLC

cc: The Honorable Mike Freiberg



Lakes Area TV



March 8, 2024

Dear Chair Stephenson and Members of the House Commerce Committee:

The Forest Lake Cable Commission and Lakes Area TV representing the cities of Forest Lake & Columbus MN are writing in support of The Equal Access to Broadband Act HF 4182.

The Equal Access to Broadband Act will allow local governments to negotiate franchise agreements for use of the public rights-of-way by broadband providers. Minnesota communities have a 44-year history of franchising cable TV providers, and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools and non-profits. LOCAL franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of LOCAL Community Television. **Lakes Area TV and community television stations across the state** rely on cable TV franchise fees and PEG fees to support coverage of local government meetings, candidate and election programming, sports, news, business and chamber of commerce, education and health, community events and festivals, music, arts, nonprofits that allow residents to engage in our community.

Lakes Area TV has also been able to make practical use of these funds and work closely with students and teachers in our Forest Lake high school who have a desire and passion to learn more about media production and local news journalism. This programming has become essential with the loss of local newspapers in many markets. While our programs are distributed on many digital platforms such as YouTube, Facebook, Apple, Roku, & Amazon, franchise fees are paid ONLY on (decreasing) traditional cable TV service. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community. More funding means more community involvement and more community information availability. Lakes Area TV has become a well know face in the Forest Lake area, and we love highlighting the amazing stories our community must share. There are many community stories that we are simply not able to cover, because the limited funds from decreasing cable subscriptions just doesn't allow us to bring in the needed help it requires to produce as many videos as we would like to.

Please let me know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Paul Peterson
Access Coordinator
Lakes Area TV Forest Lake, MN

Dear Chair Stephenson and Members of the House Commerce Committee:

Hastings Community TV is writing in support of The Equal Access to Broadband Act HF 4182.

The Equal Access to Broadband Act will allow local governments to negotiate franchise agreements for use of the public rights-of-way by broadband providers. Minnesota communities have a 44-year history of franchising cable TV providers, and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools and non-profits. LOCAL franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of LOCAL Community Television. Hastings Community TV and community television stations across the state rely on cable TV franchise fees and PEG fees to support coverage of local government meetings, candidate and election programming, sports, news, business and chamber of commerce, education and health, community events and festivals, music, arts, and nonprofits that allow residents to engage in our community. This programming has become essential with the loss of local newspapers in many markets. While our programs are distributed on many digital platforms like youtube and facebook, franchise fees are paid ONLY on (decreasing) traditional cable TV service. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community.

Hastings Community TV is projected to lose \$20,000 in revenue this year in 2024. This drops our budget to approximately \$310,000. HCTV currently employs 3 full-time, and 3 part-time employees and it is becoming nearly impossible to support a staff of this size much longer.

Please let me know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Mike Bremer
Executive Director
Hastings Community TV





March 11, 2024

Re: Support for the Equal Access to Broadband Act, HF 4182 (Freiberg)

Dear Chair Stephenson, Vice Chair Kotyza-Witthuhn and members of the House Commerce Committee:

On behalf of our 838 member cities, the League of Minnesota Cities appreciates the opportunity to provide our comments in support of the Equal Access to Broadband Act, HF 4182 (Freiberg). The bill includes important provisions that will allow local franchising authorities to make the decision to franchise internet service providers, which will allow cities to ensure all residents receive the same broadband quality of service and access to broadband from providers who utilize local public rights of way to deliver their service.

Since the 1973 Minnesota Cable Act, Minnesota cities through their local franchising agreements with cable providers enforce negotiated agreements between carriers and local communities for carriers to provide service. Local franchises ensure buildout requirements to all residents in an area, not just the highly affluent or those in an urban area and these agreements are made in the interest of the public to allow access to taxpayer-funded rights of way. Importantly, a big reason we have any semblance of internet service in many areas of our communities is due to buildout requirements in local franchise agreements made between cable providers and cities, which provided the foundation for more ubiquitous coverage of coaxial cable internet service.

HF 4182 updates Minnesota telecommunications statutes to reflect the changing conditions of the market as more and more internet service providers seek access to our public rights of way across the state to deliver service by extending local franchising authority to include internet service providers. The provisions in HF 4182 will give local franchising authorities greater authority to manage valuable real estate in the public right of way, receive reasonable compensation for the use of the public right of way, and ensure buildout requirements to address digital inequities in our communities.

The ability to franchise internet service providers will allow cities to ensure all residents receive high quality broadband service, promote equal access to broadband, address digital equity and inclusion goals, and better manage local public rights of way. Please join us in supporting the HF 4182.

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

PRESERVING QUALITY LOCAL COMMUNITY TELEVISION THROUGH SUSTAINABLE STATEWIDE FUNDING

COMMUNITY TELEVISION IS A VALUABLE CITY SERVICE THAT IS CRITICAL TO INFORMING AND ENGAGING RESIDENTS ACROSS THE STATE

Community television programming keeps community members **connected and entertained**, from high school sports and city council meetings to newscasts and local events, **through public, education and government (PEG)** programming.

Benefits:



Covering news - We report the hyperlocal stories of our communities, a public service not met by regional, state or national media.



Engaging residents - We provide neutral, unbiased coverage of public meetings, city services, and local elections - strengthening democracy with accessible, transparent and accountable coverage.



Enriching lives - We spotlight high school sports, parades, local concerts, and community events for viewers near and far, connecting them to the hometown action.

ABOUT THE MINNESOTA ASSOCIATION OF COMMUNITY TELECOMMUNICATIONS ADMINISTRATORS

The Minnesota Association of Community Telecommunications Administrators (MACTA) is a statewide organization of communications professionals who **ensure the public has reliable access to information** about the communities in which they live, work, and play.

MACTA members **support television and streaming services that deliver local community programming to area residents**. MACTA's mission is to promote quality, hyperlocal community television programming and modernize its funding source for future sustainability.

HOW IS COMMUNITY TELEVISION PROGRAMMING FUNDED?



Primarily through a cable franchise fee negotiated by cities with cable television providers as part of the contractual use of the public right-of-way



In some cases, through an additional PEG fee, which is negotiated between cities and cable television providers

THE PROBLEM?

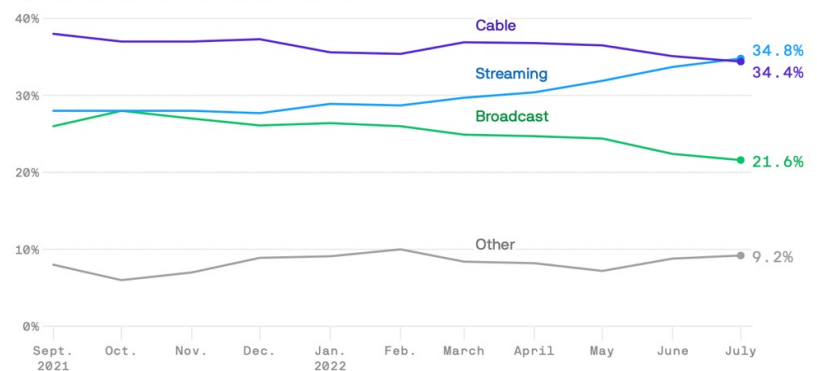
The 40-year approach of using the cable franchise fee as a community television funding stream is **no longer working**.

The video programming marketplace has changed significantly since the early 1980s when cable operators built the infrastructure needed for cable television and later, internet/broadband services.

It is this original infrastructure in the public right of way that now delivers most internet/broadband service – 72 million customers, or 69% of the market*, in 2021.

Share of total TV consumption, by type

For people ages 2+; Monthly, September 2021 to July 2022



Data: Nielsen; Chart: Axios Visuals

Fischer, Sara. "Streaming Surpasses Cable as Top Way to Consume TV." Axios, 18 Aug. 2022

Subscribers are now abandoning traditional cable services and turning to broadband streaming services instead. Referred to as cord-cutting, customers continue to use their original cable "cord" to access video via streaming, instead of the cable box. As cable subscribers drop, **so too does community television funding.**

Under current state law, many corporations that make a profit from using the public right of way or selling digital video streaming services are not required to compensate cities.

MODERNIZING THE FUNDING SOURCE FOR COMMUNITY TELEVISION

Community television funding must be modernized to reflect marketplace changes.

- HF4186 (Freiberg)/SF3930 (Mitchell): **Assess a fee on streaming services**, collected by local governments, for use by local public, education and government community television.
- HF4182 (Freiberg)/SF4262 (Mitchell): In exchange for private use of the public right of way by broadband providers, **establish a broadband franchise requirement to generate compensation** for local government to use for funding local public, education and government community television.

PROTECT HYPERLOCAL COMMUNITY TELEVISION PROGRAMMING!

Help MACTA preserve this vital connection to your local communities by modernizing the funding source beyond cable TV companies.

Let's brainstorm together the funding solutions that will keep this local and vibrant community connection thriving.



MACTA LEGISLATIVE CHAIRS

Karen George

QCTV/Quad Cities Cable
Communications Commission

Jodie Miller

Town Square Television/
NDC4 Cable Commission

Sam Temple

Northfield Public Broadcasting

March 10, 2024

Dear Chair Stephenson and Members of the House Commerce Committee,

I am a commissioner on the Northern Dakota County Cable Commission and would like to thank you for placing HF 4182 on your agenda and ask for your support of HF 4182, the Equal Access to Broadband Act.

The funding mechanism for LOCAL Community Television, as differentiated from Corporate Network "local" television, is decades old! It dates back to a long since past century. It pre-dates the iMac (1998), the iPod (2001), the iPhone (2007) and the iPad (2010), as well as several members of this committee. "Cord cutting" by my children, your children and many others is threatening the survival of Local Community and Public Access Television. It is time to save these valuable assets for our communities!

It is essential to provide equal access to broadband for ALL Minnesotans and to provide future funding so that local community television can continue to serve the needs of the communities that they serve. Corporate media conglomerates do NOT provide the granular level of public, educational and governmental programming that community television stations do.

Thank you for your attention to this very important issue,

Joel Arney, MD
Sunfish Lake, MN 55077



March 11, 2024

Chair Stephenson and Members of the Commerce Finance and Policy Committee,

Metro Cities, representing the shared interests of cities across the metropolitan area at the Legislature and Executive Branch, appreciates the opportunity to comment on and support HF 4182 – Freiberg. This bill includes language allowing local governments to require franchise fees from a provider furnishing broadband, and other provisions.

Cities play a vital role in achieving significantly higher broadband speeds. Local units of government contribute to increasing broadband capacity and ensuring internet connectivity, reliability, and availability.

Metro Cities policies support the ability of local officials to manage and protect public rights-of-way and to collect compensation for the use of public assets. Metro Cities policies also support state policies and programs that substantially increase speed and capacity of broadband services statewide, including facilitating solutions at the local level. Incentives which support private sector service providers to respond to local or regional needs, and to collaborate with cities to deploy broadband infrastructure will support the ability to meet immediate and future local needs.

Thank you for your consideration of this letter.

Sincerely,

A handwritten signature in black ink that reads 'Ania McDonnell'.

Ania McDonnell
Government Relations Specialist



RESOLUTION NO. 2-07-2024

**RESOLUTION IN SUPPORT OF STATE LEGISLATION
TO MODERNIZE THE FUNDING STRUCTURE FOR LOCAL COMMUNITY “PEG”
(PUBLIC / EDUCATION / GOVERNMENT) PROGRAMMING**

WHEREAS, the Northern Dakota County Cable Communications Commission (“NDC4”) is authorized by its seven Member Cities (Inver Grove Heights, Lilydale, Mendota, Mendota Heights, South St. Paul, Sunfish Lake and West St. Paul) to negotiate and manage the cable franchise agreements of the seven cities, to provide local government programming, and to contract with the non-profit corporation Town Square Television (“TST”) to provide local community Public Education and Government (“PEG”) access programming;

WHEREAS, NDC4 and TST provide essential local coverage of community events and issues, non-profits and charities, school sports and academic programs, business, chamber of commerce and tourism, school board, city, county and state government meetings, candidate information and election coverage, local history, public health and education, music, arts and other uniquely local programs that broadcast stations typically do not cover;

WHEREAS, in light of rapidly decreasing local print media, Town Square Television is the principal, and in some cities the only professional media source providing local video and posted online coverage;

WHEREAS, NDC4 and TST are funded through franchise fee and PEG fee support negotiated in the cable franchise agreements with local cable providers, which are currently limited to ONLY the revenues on traditional cable TV and NOT on streaming or internet revenues;

WHEREAS, NDC4 and TST are projecting an ongoing substantial loss of franchise fee and PEG fee revenues due to the marketplace trend of “cord cutting” (traditional cable TV subscribers migrating to multiple digital video service providers that are currently NOT required to support local community PEG programming);

WHEREAS, NDC4 and TST distribute essential local community programming on multiple platforms including cable TV, online streaming, and social media, to ensure access to all residents regardless of their income level or choice of technology; and

WHEREAS, “MACTA” (Minnesota Association of Community Telecommunications Administrators) and the “LMC” (League of Minnesota Cities) support legislation to *Modernize the Funding Structure for Local Community PEG Programming*.

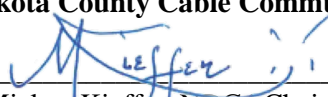
NOW, THEREFORE, BE IT RESOLVED that the NDC4 Cable Commission calls on the Minnesota Legislature to pass legislation in the 2024 Legislative Session to *Modernize the Funding Structure for Local Community PEG Programming* to provide an increase in financial support available to PEG programming for local communities; and

BE IT FURTHER RESOLVED that the NDC4 Cable Commission requests its Representatives and Senators for Districts 52B, 53A, 53B, and 65B to co-sponsor and support the passage of such legislation.

Passed and adopted this 7th day of February, 2024.

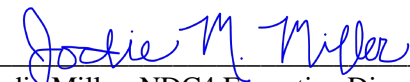
Northern Dakota County Cable Communications Commission

By:



Mickey Kieffer, NDC4 Chair

ATTEST:



Jodie Miller, NDC4 Executive Director



1919 M St NW, Ste 300
Washington, DC 20036
Tel: 202-525-3926
Fax: 202-525-3941
info@ppionline.org

March 8 , 2024

Rep. Zack Stephenson, Chairman
House Commerce Finance and Policy Committee
449 State Office Building
St. Paul, MN 55155

Dear Chairman Stephenson,

We urge you to reject new local broadband taxes that would undermine critical state and national efforts to close the digital divide and connect every Minnesotan to affordable high-speed broadband.

The pandemic made clear that broadband is an essential service Americans depend on for access to education, health care, work opportunities, government services, culture and entertainment, and more. In recent years, a host of state and federal programs have worked together to ensure high-speed broadband is affordable and available to all – from hard to connect rural areas to often overlooked urban cores. These critical efforts include the federal Broadband Equity Access and Deployment grants and the Affordable Connectivity Program which together promote deployment and adoption of high-speed internet service as well as Minnesota Department of Employment and Economic Development Office of Broadband Development grants, which also promote expansion of broadband networks. Just this month, Governor Walz announced DEED broadband grants totaling more than \$50 million to promote affordable internet access in the state.

But HF 4182, the Equal Access to Broadband Act, would undermine these efforts and set back Minnesota's progress closing the digital divide. The bill would unleash a wave of new broadband taxes, allowing local governments to impose "franchise fee" assessments on broadband networks as well as any product or service they deliver. The result would be a mountain of new assessments and fees with additional, separate charges for bundled internet, television, phone, and home security.

While inflation has strained the budgets of all Minnesotans, broadband has been one economic bright spot, with prices actually falling when adjusted for speed and inflation compared to virtually every other consumer product and service. But these new taxes would hit Minnesota consumers squarely in the pocketbook,



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driving up costs for internet access and any additional services carried by the network.

That would be a deeply regressive tax that would hit low income Minnesotans most severely and expand the digital divide for citizens who lacked the resources to absorb higher costs for broadband. It would put public policy at war with itself – with most of Minnesota’s leaders and the federal government working to expand internet access and affordability in direct conflict with this legislation which would deter expansion of new networks and drive up service costs across the state.

This is the wrong time to unleash new franchise fees on broadband. Please oppose HF 4182, the Broadband Service tax.

Sincerely,

A handwritten signature in black ink, appearing to read 'LM Lewis', is positioned below the word 'Sincerely,'.

Lindsay Mark Lewis
Progressive Policy Institute Executive Director

cc: Members, House Commerce Finance Policy Committee

Dear Chair Stephenson and Members of the House Commerce Committee,

I am a commissioner on the Northern Dakota County Cable Commission and would like to thank you for placing HF 4182 on your agenda and ask for your support of HF 4182, the **Equal Access to Broadband Act**.

The funding mechanism for LOCAL Community Television, as differentiated from Corporate Network "local" television, is decades old! It dates back to a long since past century. It pre-dates the iMac (1998), the iPod (2001), the iPhone (2007) and the iPad (2010), as well as several members of this committee. "Cord cutting" by my children, your children and many others is threatening the survival of Local Community and Public Access Television. It is time to save these valuable assets for our communities!

It is essential to provide equal access to broadband for ALL Minnesotans and to provide future funding so that local community television can continue to serve the needs of the communities that they serve. Corporate media conglomerates do NOT provide the granular level of public, educational and governmental programming that community television stations do.

Thank you for your attention to this very important issue,

Joel Arney, MD
Sunfish Lake, MN 55077

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2024-39

**A RESOLUTION SUPPORTING MINNESOTA ASSOCIATION OF COMMUNITY
TELECOMMUNICATIONS ADMINISTRATORS (MACTA) EFFORTS TO
MODERNIZE PUBLIC, EDUCATION, AND GOVERNMENT (PEG) PROGRAMMING
AND PUBLIC ACCESS FUNDING**

WHEREAS, community television programming allows community members to stay connected and entertained through public, education, and government (PEG) programming; and

WHEREAS, public television programming includes local community and nonprofit submissions, City Council and board and commission meetings, and community events; and

WHEREAS, public television programming has primarily been funded through franchise fees which allow cable providers to utilize the public right-of-way for private use; and

WHEREAS, with the recent consumer trend of moving from traditional cable providers to digital/video streaming services, the funds available for public television programming has decreased; and


WHEREAS, the Minnesota Association of Community Telecommunications Administrators (MACTA) is a statewide organization of municipal and nonprofit staff that advocates for cities and their residents; and

WHEREAS, MACTA is launching a campaign to create legislative changes at the state and federal level that will respond to consumer changes and allow current practices to modernize in response to these shifts; and

WHEREAS, MACTA is working with Minnesota cities to gain support for their legislative efforts.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of South St. Paul that the City Council offers their support to the Minnesota Associate of Community Telecommunications Administrators (MACTA) effort to modernize local access funding through legislative change.

Adopted this 4th day of March, 2024.



City Clerk



Dear Chair Stephenson and Members of the House Commerce Committee:

As Executive Director of the nonprofit Itasca Community Television, Inc., (ICTV) Grand Rapids, Minn. I am writing in support of The Equal Access to Broadband Act HF 4182. Attached, too is a letter of support from the City of Grand Rapids in which we are based.

Grand Rapids has 41 years of history of working cooperatively with cable television providers through franchise agreements. Over the years LaPrairie, Cohasset and Harris Township banded together to form the Grand Rapids Area Cable Commission (GRACC) ensuring complementary agreements. The Equal Access to Broadband Act will allow members of GRACC and other Minnesota communities to negotiate franchise agreements for use of the public rights-of-way by broadband providers. This bill simply modernizes legislation to continue the benefits of franchising for the good of our residents, businesses, schools and non-profits. Local franchising is a proven way to ensure complete broadband buildout provisions and provide for local oversight of commercial users in streets and on public assets.

In addition, HF 4182 modernizes the funding structure of hyper-local public, education and government access community television. ICTV, and community television stations across the state, rely on cable television franchise fees and PEG fees to support programming. In Itasca County that means the coverage of up to 12 gavel-to-gavel presentations of city, township, school district and county meetings. ICTV also connects the community through art, event and educational coverage—from online children's library programs to church services for the shut-ins.

ICTV video is most often the basis on which other media covers the community given the shortage of reports in local newspapers. While our programs are distributed in several different platforms (YouTube, on the internet live and on-demand with smaller forms on Facebook, YouTube and Instagram), franchise fees are paid only on traditional cable television service. In the last years, ICTV has lost up to \$1,000 in any given quarter. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community.

Please let us know if you need more information. Thank you for your work on behalf of Minnesota residents and our community!

Sincerely,

Beth C Sundin George

Executive Director, ICTV

CC: Sen. Eichorn

Rep. Davis

Rep. Igo

RESOLUTION NO. 24-18

A RESOLUTION OF SUPPORT FOR MACTA EFFORTS TO MODERNIZE PUBLIC, EDUCATION, AND GOVERNMENT (PEG) PROGRAMMING/PUBLIC ACCESS FUNDING

WHEREAS, community television programming allows community members to stay connected and entertained through public, education, and government (PEG) programming; and

WHEREAS, public access television programming includes local community and nonprofit submissions, City Council and board and commission meetings, and community events; and

WHEREAS, public access television programming has primarily been funded through franchise fees which allow cable providers to utilize the public right-of-way for private use; and

WHEREAS, with the recent consumer trend of moving from traditional cable providers to digital/video streaming services, the funds available for public access television programming has decreased; and


WHEREAS, the Minnesota Association of Community Telecommunications Administrators (MACTA) is a statewide organization of municipal and nonprofit staff that advocates for cities and their residents: and

WHEREAS, MACTA is launching a campaign to create legislative changes at the state and federal level that will respond to consumer changes and allow current practices to modernize in response to these shifts; and


WHEREAS, MACTA is working with Minnesota cities to gain support for their legislative efforts.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GRAND RAPIDS, MINNESOTA THAT: The City Council offers their support to the Minnesota Associate of Community Telecommunications Administrators (MACTA) effort to modernize local access funding through legislative change.

Adopted by the City Council of Grand Rapids, Minnesota this 26th day of February, 2024.


Tasha Connelly (Feb 28, 2024 15:20 CST)
Tasha Connelly, Mayor

Attested:


Kim Gibeau (Feb 26, 2024 15:24 CST)
Kimberly Gibeau, City Clerk

Councilor Sutherland seconded the foregoing resolution and the following voted in favor thereof: MacGregor, Adams, Sutherland, Blake, Connelly; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.



Dear Chair Stephenson and Members of the House Commerce Committee:

The South Washington County Telecommunications Commission (SWCTC) would like to voice our strong support for The Equal Access to Broadband Act HF 4182.

The Equal Access to Broadband Act will allow local governments, like the ones we serve in Woodbury, Cottage Grove, St. Paul Park, Newport and Grey Cloud Island Township, to negotiate franchise agreements for use of the public rights-of-way by broadband providers. Minnesota communities have a 44-year history of franchising cable TV providers and this bill will modernize legislation to continue the benefits of franchising for our residents, businesses, schools and non-profits. LOCAL franchising is a proven way to ensure complete buildout provisions, no redlining or cherry picking, faster upload and download speeds, non-compliance provisions, local oversight of commercial users in streets and on public assets, and local customer service resolution.

In addition, HF 4182 will modernize the funding structure of LOCAL Community Television. SWCTC and community television stations across the state rely on cable TV franchise fees and PEG fees to support coverage of local city/school meetings, candidate and election programming, sports, news, business and chamber of commerce, education and health, community events and festivals, music, arts, nonprofits that allow residents to engage in our community. This programming has become essential with the loss of local newspapers in many markets. While our programs are distributed on many digital platforms, such as YouTube, Roku and social media franchise fees are paid ONLY on (decreasing) traditional cable TV service. Franchising broadband will level the playing field and provide ongoing funding to continue serving the needs of our community. Without funding SWCTC will not be able to continue providing award-winning hyper local video content to ensure citizens are informed and provided with multiple ways to stay informed about government, their community and school districts.

Please let us know if you need further information. Thank you for your work on behalf of our residents and our community!

Sincerely,

Ann Schweisguth

Interim Executive Director

South Washington County Telecommunications Commission (SWCTC)

6939 Pine Arbor Drive South #106

Cottage Grove, MN 55016

651-458-9241 ext. 105

ann@swctc.org

swctc.org

March 8, 2024

Chair Zack Stephenson
House Commerce Finance and Policy Committee
449 State Office Building
St. Paul, MN 55155

RE: HF 4182 – OPPOSE

Dear Chair Stephenson and Members of the Commerce Finance and Policy Committee:

USTelecom – The Broadband Association (“USTelecom”)¹ and its members, America’s innovative broadband providers, are very committed to delivering resilient and reliable broadband internet service to their hundreds of thousands of Minnesota consumers. The broadband industry has invested more than \$2 trillion² in network infrastructure throughout the country since 1996—with approximately \$86 billion invested in 2021 alone—and USTelecom members are among the country’s top investors. HF 4182 would harm these efforts by adding new franchising requirements and related fees to broadband providers that were previously only applicable to utilities.

The proposed new requirements and fees add unnecessary obstacles to broadband deployment.

Broadband providers already face obstacles in the permitting process that can severely delay or even derail their ability to connect a community. Complexities in the process can include acquiring access rights, negotiating pole attachments, waiting for lengthy review and approval processes, and navigating historic preservation rules.³ HF 4182 adds another unnecessary layer of complexity that will further interfere with the ability of our members to expeditiously deploy infrastructure throughout the state.

- By subjecting broadband providers to ongoing franchise fees in perpetuity, the bill undercuts the federal and state programs, like BEAD, that are working to get broadband deployed to Minnesotans who need improved broadband service – in the case of BEAD, before the program even gets started. These fees inevitably undermine the business cases for deployment to areas that by definition have lacked a commercial business case for deployment. The bill also deters private investment and may well increase costs for consumers.

¹ USTelecom is the premier trade association representing service providers and suppliers for the communications industry. USTelecom members provide a full array of services, including broadband, voice, data, and video over wireline and wireless networks. Its diverse membership ranges from international publicly traded corporations to local and regional companies and cooperatives, serving consumers and businesses in every corner of the country.

² USTelecom, Broadband Capex Report, July 18, 2022; available at: <https://ustelecom.org/wpcontent/uploads/2022/07/2021-Broadband-Capex-Report.pdf>

³ USTelecom, “Broadband Deployment: Smoothing the Nation’s Path to 100 Percent Connectivity,” May 2022; available at: <https://www.ustelecom.org/broadband-deployment-smoothing-the-nations-path-to-100-percent-connectivity>

- The bill is discriminatory, because electric co-ops that offer broadband service would be exempt from these requirements including the franchise fee fees. That in itself is discriminatory, but in the context of the BEAD program, it could well provide electric co-ops a significant financial advantage over other broadband providers who would be subject to the franchise fees and who may otherwise be better positioned to meet communities' broadband needs
- The bill creates administrative burdens on both the local municipalities and broadband providers. Managing the fees, ensuring compliance, and handling disputes could require significant resources, potentially offsetting some of the revenue gains.
- Ultimately the bill would have negative long-term economic implications. High-speed internet access is a key driver of economic development, education, and quality of life. Anything that potentially slows down the expansion or improvement of broadband infrastructure could have wide-ranging negative effects on the community's economic future.

If adopted, HF 4182 would hinder efforts to advance digital equity. At a time when Minnesotans are relying on broadband networks for everything from remote work and distance learning to telemedicine and precision agriculture, Minnesota should promote policies that expand reliable, affordable high-speed broadband to unserved and underserved communities. HF 4182 instead would serve as a tax on broadband providers that would divert investment away from new broadband deployment projects and increase costs for customers.

For these reasons, USTelecom urges you to oppose HF 4182.

Sincerely,

/s/ B. Lynn Follansbee

B. Lynn Follansbee
Vice President

USTelecom – The Broadband Association

