

March 7, 2023

The Honorable Representative Samantha Vang
Chair, House Agriculture Finance and Policy
545 State Office Building
St. Paul, MN 55155

Dear Chair Vang,

On behalf of the Minnesota Department of Employment and Economic Development (DEED), I am writing to urge the committee to support broadband funding. As you know, Governor Walz and Lt. Governor Flanagan's One Minnesota Budget is committed investing in Minnesota's economic future. Broadband is a critical component of that goal.

Access to broadband is now recognized as a critical factor in the economic and social sustainability of all Minnesota communities. Over the last several years, we've seen increases in broadband used for education, employment opportunities, and telemedicine. These are trends that are sure to stay strong. Minnesota has a statutory goal of achieving full access to broadband at speeds of 100Mbps/20Mbps by the year 2026. Minnesota requires additional state funding to achieve that goal.

While HF 2313 takes a slightly different approach from the Governor's recommendation in how it funds broadband, we are generally supportive of the bill. Both HF 2313 and the Governor's recommendation include \$276 million for broadband infrastructure. We recognize that many of the areas lacking broadband service are the most expensive to build out due to topography and distance. Deploying broadband in these remaining areas will likely require different funding mechanisms from the traditional Border-to-Border Broadband Grant Program approach. We look forward to continuing to work with lawmakers and advocates in determining the best approach to ensure that we are on the correct pathway to achieve full border-to-border broadband access in Minnesota.

I know that the committee has challenging work ahead. DEED is committed to working with you and we thank you for your work on broadband this year. Please do not hesitate to contact me or Deven Bowdry (deven.bowdry@state.mn.us) with any questions.

Regards,



Kevin McKinnon
Interim Commissioner

CC: Representative Paul Anderson, Minority Lead