

Yao Yaj
Executive Director
401 Robert St N #150
St. Paul, MN 55101
March 13, 2024



MINNESOTA HMONG
CHAMBER of COMMERCE

Senator Erin Murphy (64)
Senator Sandra Pappas (65)
Minnesota Senate Bldg.
St. Paul, MN 55155

Rep. Kaohly Her (64A)
Rep. Samakab Hussein (65A)
Rep. Maria Isa Pérez-Vega (65B)
State Office Building
St. Paul, MN 55155

Dear Senators and Representatives,

I am writing to you as Executive Director of the Minnesota Hmong Chamber of Commerce to express our grave concerns regarding the proposed Broadband Service Tax, SF 4262 and HF 4182. As an organization representing the vibrant Hmong community and its businesses, we are particularly alarmed by the potential impact of this legislation on at-home businesses owned by chamber members.

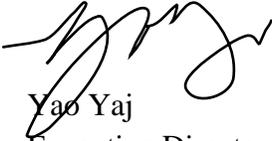
The Minnesota Hmong Chamber of Commerce serves as a vital support network for Hmong entrepreneurs, many of whom operate small businesses from their homes. These at-home businesses play a significant role in our community, providing essential goods and services, creating jobs, and contributing to the economic vitality of our state. Naturally, many of these businesses rely heavily on utilizing affordable broadband services for their daily operations. A reliable broadband connection is essential for marketing their products, managing online sales, and communicating with customers and other vendors.

This legislation would give permission to local governments to impose duplicative and uncapped taxes on broadband services, which are more than certain to increase financial strain on local businesses with slim margins. These additional taxes will erode the profitability of these businesses, potentially leading to closures and job losses within the Hmong community.

We support policies that would empower the Hmong community to create and grow thriving businesses, not ones that will increase the barriers faced by our community. Affordable, high-

speed Internet access is a modern necessity, and the Broadband Service Tax will leave Minnesota worse off. We urge you to oppose SF 4262 and HF 4182.

Sincerely,

A handwritten signature in black ink, appearing to read 'Yao Yaj', with a small dot to its right.

Yao Yaj
Executive Director
Minnesota Hmong Chamber of Commerce

cc: House Committee on Commerce Finance and Policy

cc: House Committee on State and Local Government Finance and Policy



**Minnesota Black
Chamber of Commerce**

Working Together For Business

March 14, 2024

Senator Mary Kunesh
Chair, Senate People of Color and Indigenous (POCI) Caucus
Minnesota Senate Bldg., Room 3209
95 University Avenue West
St. Paul, MN 55155-1606

Representative Esther Agbaje and Representative Cedrick Frazier
Co-Chairs, House People of Color and Indigenous (POCI) Caucus
State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1298

Dear Senator Kunesh, Representative Agbaje, and Representative Frazier,

On behalf of the Minnesota Black Chamber of Commerce, I strongly urge the Minnesota House & Senate People of Color and Indigenous (POCI) Caucuses to oppose legislative proposals to impose a new Broadband Tax on Minnesotans' home internet service and digital subscription services. **These proposals, SF 4262 and HF 4182, will widen our state's digital divide** by making home internet service more expensive for families who may not all be able to absorb the added cost.

Broadband service has been one of the few areas of our economy where price changes have trailed inflation over the past several years, as federal programs like the Affordable Connectivity Program and [free or low-cost service plans](#) from participating providers have helped keep costs down. But with the ACP likely to [end by May](#), more than 240,000 households in Minnesota will already be looking at sudden increases in their out-of-pocket costs to stay connected. **Minnesota shouldn't make the problem worse** by empowering cities, counties, and other local taxing authorities to each add duplicative new taxes and fees onto every customer's bill.

Please join us in opposing SF 4262 and HF 4182. Increasing the cost of broadband service for struggling Minnesota families would be a big step backwards for digital equity.

Sincerely,
Sam Ndely II

Sam Ndely II
Board Chair
Minnesota Black Chamber of Commerce

April 2, 2024

Senator Mary Kunesh
Chair, Senate People of Color and Indigenous (POCI) Caucus
95 University Avenue West, Room 3209
St. Paul, MN 55155

Representative Esther Agbaje, Co-Chair
Representative Cedrick Frazier, Co-Chair
House People of Color and Indigenous (POCI) Caucus
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Sen. Kunesh, Rep. Agbaje, and Rep. Frazier:

Despite all of the positive economic news, BIPOC entrepreneurs here in Minnesota are still struggling to get back our feet after four years of unprecedented setbacks. When the COVID-19 pandemic hit, Black-, Immigrant-, Latinx- and women-owned businesses closed at twice the rate of white-owned businesses.¹ And when the worst inflation in forty years followed, households of color were hit harder by surging prices² – while interest rate spikes strained minority- and woman-owned businesses already struggling with unequal access to credit.³

The last thing BIPOC entrepreneurs need right now is for the Legislature to thoughtlessly create a new Broadband Tax that will both increase our costs of doing business while cutting off many families in our community – and our customer base – from the connectivity they use to interact with our businesses.

Despite to its misleading name, SF 4262/HF 4077 will not promote “Equal Access to Broadband.” Instead, any policy changes that increase the cost of home internet service can reasonably be expected to *widen* Minnesota’s digital divide.

Digital equity advocates have understood for years that bringing down the cost of home internet service is a critical component of expanding digital participation in communities of color. That’s why President Biden and his allies in Congress fought so hard to create the Affordable Connectivity Program, which has helped almost 250,000 lower-income families here in Minnesota connect for little to no cost. For Minnesota to now steer in the opposite direction and *increase* families’ monthly internet bills by piling on new taxes and franchise fees – at the exact moment so many of our neighbors are about to lose the safety net the ACP has provided⁴ – is a recipe for worsening digital inequality.

¹ [Bloomberg](#): “Black Business Owners’ Ranks Collapse by 41% in U.S. Lockdowns,” June 8, 2020.

² [Federal Reserve Bank of Minneapolis](#): “The widely varied pain of inflation,” February 16, 2022.

³ [National Institute of Minority Economic Development](#): “Poll Shows Rate Increase Adds Additional Financial Burden on Women and Minority Owned Small Business,” May 11, 2022.

⁴ [KSTP](#): “A federal program called a ‘lifeline’ for some Minnesotans could be coming to an end,” February 10, 2024

For small businesses serving disproportionately BIPOC customer bases, a growing digital divide means fewer potential customers equipped to find and interact with us online. Meanwhile, our own input costs would go up significantly if this passes and enables cities, counties, and school districts to all impose new, duplicative taxes not on our businesses' broadband connections as well as on every digital subscription service we utilize over those connections.

We strongly urge the House and Senate POCI Caucuses to condemn SF 4262/HF 4182 and help your colleagues understand that increasing the cost of connectivity for struggling Minnesota families and businesses would be a huge step backwards for digital equity.

Sincerely,

Teto Wilson

Teto Wilson
Owner, Wilson's Image Barbers and Stylists



Sandy Nelson

Sandy Nelson
Owner, Northern Tea Lights Company

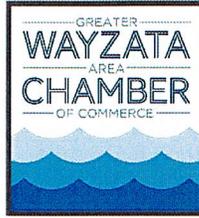


Gretchen Bierbaum

Gretchen Bierbaum
Owner, Straightline Dance Fitness

Laura Marino-Franco

Laura Marino-Franco
Owner, Primitiva Collective



March 29, 2024

Representative Patty Acomb, District 45B
593 State Office Building
St. Paul, MN 55155

Senator Kelly L. Morrison, District 45
3205 Minnesota Senate Building
St. Paul, MN 55155

Dear Representative Acomb and Assistant Majority Leader Morrison,

The Greater Wayzata Area's business community understands expanding broadband access and helping more of our neighbors get online will boost economic mobility and growth for all. Our focus includes ensuring our local workforce has the ability to access affordable internet. This is especially true given the pivot in the new era of "work from home" post COVID-19. For that reason, we are concerned with the Broadband Tax proposals currently under consideration in the Legislature that would increase the cost to consumers for business and home internet service, at a time when many other expenses are rising.

In a report from the Federal Communications Commission, the Affordable Connectivity Program, funded at an original \$14.2 billion that supports eligible low-income households struggling to afford monthly internet service, is expected to be depleted in May. This raises concerns as low-income households could see their monthly internet expenses increase by up to \$30 a month. Should the Legislature pass HF 4077 and SF 4262, costs could rise even more as cities, counties, and school districts will have the ability to add overlapping franchise taxes on top of monthly internet service bills, potentially expanding the digital divide across our state.

Please give consideration to our concerns as you review and cast your vote for HF 4182 and SF 3930.

Sincerely,

Becky Pierson

President, Greater Wayzata Area Chamber of Commerce