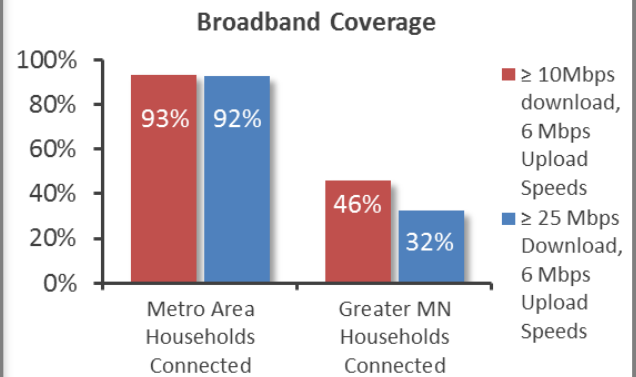


## Minnesota Has Fallen Behind.

Despite countless studies and task forces on broadband, the state **has yet to make a serious investment** in broadband infrastructure, and our current state laws hold back local investment. The result is that many areas of the state **are falling behind** and the **state ranks 23<sup>rd</sup> nationally** in broadband speeds, according to the Governor's Task Force.



## How Will Your Community Benefit From Fiber Broadband Connections?

- **Business:** Business is increasingly done online, and the ability to sell to consumers worldwide **requires reliable, world-class connections.**
- **Farming:** As farming becomes even more globally competitive, **our communities need to be connected** for up-to-the-minute updates on weather, disease identification, and commodity prices, alongside GPS navigation.
- **Health care:** Greater Minnesota's **long distances require health care provided over broadband**, which is already practiced elsewhere.
- **Education:** Currently, many Greater Minnesota parents bring their children to connected areas miles away from their homes. **This is not viable to attract new residents and keep our current ones.**
- **Independent Living:** As the baby-boomers age, the ability to live in remote areas is **made easier through the connections broadband provides.**

## The Border-to-Border Broadband Fund is the Solution.

- The Governor's Broadband Task Force Report recommended **a \$100 million infrastructure fund** to start addressing up to a **\$3.2 billion total investment need statewide.**
- **Over a dozen states have similar funds** to support broadband infrastructure.
- A grant program, modeled after the enormously successful New York broadband program, funded at \$100 million to provide development incentives is needed.
- Communities, co-ops, private providers, or non-profit organizations are awarded funds from the Office of Broadband Development and DEED, **upon demonstration showing financial viability, community support, and local need.**
- **Target local challenges with local solutions** that provide the infrastructure, service and speeds for **cutting-edge applications** in commerce, health, education, agriculture, and public safety.



## The New York Broadband Fund is an Enormous Economic Success.

- As of March 2013, New York had appropriated \$57 million. **This resulted in 153,000 households, 8,000 businesses, and 400 anchor institutions being connected.**
- To date, the grant fund and other state funding **directed \$68 million to broadband projects across New York.**
- New York is **in the top 10** in average peak connection speed and both >10 Mbps and >4Mbps broadband connectivity. **Minnesota does not rank in the top 10 in any measure.**

"Economic Impact of Broadband in New York," David Salway, Director of NYS Broadband Office, <http://bit.ly/1n93lmk> and "The State of the Internet," Akamai, 2013, <http://bit.ly/1gtzDxi>.



## Broadband Funding: More Funding Means More Growth

### Broadband: A Great Investment.

The Blandin Foundation funded a study of county impacts in Minnesota, conducted by Strategic Networks Group (SNG), which found a **10 to 1 return on investment** in expanding access in Lac Qui Parle County.



"The Return from Investment in Broadband Infrastructure and Utilization Initiatives," SNG, <http://bit.ly/1bflkf0>

### Recent Studies Find Huge Impact.

- The average increase in household income in areas where broadband speed is upgraded from 4 to 8 Mbps is **\$120 per month**. ("Home Broadband Speed Impacts Household Income," Ericsson, 9/17/13, <http://www.ericsson.com/news/1729555>)
- With other factors held equal, rural U.S. counties with more broadband adoption (more than 60%) **saw 6.3% more growth in median household incomes in 2001-2010 than counties with less broadband adoption** (less than 60%). "Broadband's Economic Impact," The Daily Yonder, 8/21/13, <http://bit.ly/1nqpLFL>

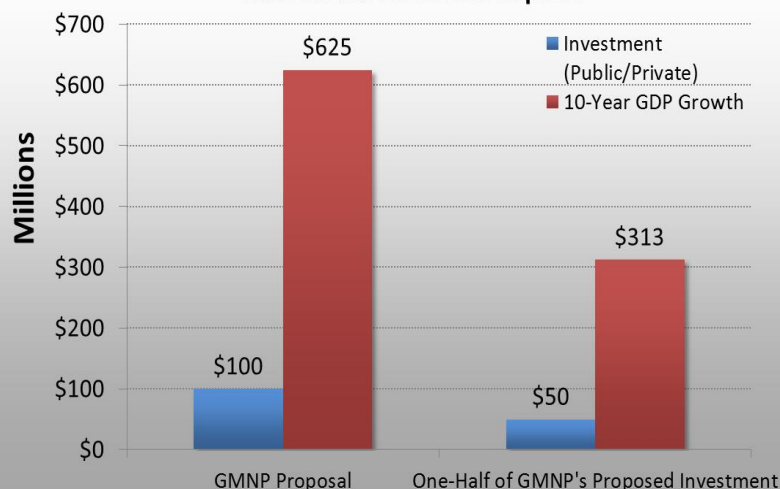
### Initial Analysis Released Exclusively to the GMNP by Strategic Networks Group Shows the Enormous Impact of High-Quality Broadband.

**On an annualized basis, 95% coverage would produce:**

- **\$440 million in household income**
- **15,000 jobs created or sustained**
- **Over \$1 billion in State GDP**

### How Do Various Funding Proposals Impact State GDP?

Every Dollar of Broadband Investment Results in Substantial Economic Impacts



Every dollar invested toward reaching the **\$3.2 billion broadband need results in substantial economic benefits for the state, as shown by analysis based on initial data from SNG at left.**

**Small investments result in small economic benefits. Over a dozen states are investing in broadband access, so it is imperative that Minnesota make a serious effort to catch up – every dollar of investment means more economic activity.**