

# Greater Minnesota Economic and Workforce Development Policy

Chair: Rep. Bob Gunther

## Meeting:

Thursday, March 17, 2016  
12:45 PM to 2:30 PM  
Basement Hearing Room

## Agenda:

- I. **Call To Order**
- II. **Roll Call**
- III. **Approval of Minutes**
- IV. **HF2381 (Baker):** Broadband grant application process amended, report required, and money appropriated.  
Kristi Westbrook, Chief Operation Officer, CTC Brainerd  
Travis Bonnema, Manager of Technical Services, Jennie-O Turkey Store  
Sam Romain, Haug Implement, Willmar  
Donna Boonstra, Kandiyohi County & City of Willmar Economic Development Commission and Broadband Committee  
Connie Schmoll, Business Development Specialist, Kandiyohi County & City of Willmar Economic Development Commission  
Dan Dorman, Executive Director, Greater Minnesota Partnership  
Chris Mitchell, Institute of Local Self Reliance  
Craig Clark, Austin City Administrator
- V. **Adjournment**



Association of  
Minnesota Counties



macta

Minnesota Association of Community  
Telecommunications Administrators



March 17, 2016

Re: HF 2381 (Baker): Broadband grant application process amended, report required, and money appropriated

Dear Chair Gunther and Members of the House Greater Minnesota Economic & Workforce Development Committee:

We would like to express our unified support for funding for the Border-to-Border Broadband Grant Development Program included in House File 2381 (Baker). It's been said that expansion of broadband internet access is to the 21st century what rural electrification was to the 20th century. Increasing access to high-speed internet service is seen as a crucial way to keep Minnesota competitive, grow jobs, deliver education services, and improve our state's quality of life.

For Minnesota to achieve competitive broadband speeds across the state and broadband adoption, the State must continue to make it a priority to fund broadband infrastructure development. The continuation of the grant program would allow for additional partnerships with both public and private entities to build out higher cost connections. Encouraging public-private partnerships and providing incentives for broadband investment are key steps to achieving statewide goals and promoting economic development across Minnesota. We look forward to continuing the discussion on details of the program, such as speed criteria and eligibility.

Thank you for your time and the opportunity to submit written testimony on behalf of our organizations.

Respectfully Submitted,

Laura Ziegler  
*League of Minnesota Cities (LMC)*

Emily Pugh  
*Association of Minnesota Counties (AMC)*

Kent Sulem  
*Minnesota Association of Townships (MAT)*

Mike Reardon  
*Minnesota Association of Community  
Telecommunications Administrators (MACTA)*

Joe Gould  
*Minnesota Rural Education Association (MREA)*

Dan Larson  
*Minnesota Rural Counties Caucus (MRCC)*

Charlie Vander Aarde  
*Metro Cities*

400 South 4<sup>th</sup> Street  
Suite 416  
Minneapolis, MN 55415  
952-230-4555 office  
952-230-4550 fax  
[www.mhta.org](http://www.mhta.org)



March 17, 2016

Dear Chair Gunther and Members of the House Committee on Greater Minnesota Economic and Workforce Development Policy:

On behalf of the Minnesota High Tech Association (MHTA), I am writing to encourage a strong investment in broadband this year. HF2381, which appropriates \$35 million to the state's Border-to-Border Broadband Development Grant Program in FY2017, is a step in the right direction. However, we are hopeful that this figure will be increased to more closely align with the funding recommendation of the Governor's Task Force on Broadband.

MHTA is a non-profit association of more than 300 technology companies and organizations, united behind a common vision to make Minnesota one of the country's top five technology states. MHTA's members include some of the world's leading corporations, mid-sized companies and startups.

MHTA supports the recommendations of the Governor's Task Force on Broadband, including funding the Border-to-Border Broadband Development Grant Program at \$200 million over the 2016-17 biennium. With an estimated cost of \$900 million to \$3.2 billion, connecting the state with broadband requires significant public and private investment.

The Border-to-Border Broadband Development Grant Program, created by the Legislature in 2014, provides funding to build the state's broadband infrastructure and promote broadband access in unserved and underserved areas of the state. The grants provide a dollar-for-dollar match on funds, not to exceed \$5 million for any one project. The grant program was initially funded at \$20 million in 2014 and \$10.6 million in 2015. Funding at these levels over the last two years has leveraged more than \$41 million in private investment, serving more than 9,300 households and more than 930 businesses.

Although Minnesota has made progress in expanding access to broadband throughout the state, we still have significant obstacles to overcome. Nearly 20 percent of rural households do not have access to high-speed broadband at download speeds of 10 megabits per second (Mbps) and upload speeds of 5 Mbps. These homes are located in some of the most rural areas of Minnesota, which are often difficult to reach and expensive to provide broadband service.

Increasing statewide access to broadband calls for robust policies and significant investments that promote innovation and the expansion of broadband deployment.

Sincerely,

A handwritten signature in black ink that reads "Margaret Anderson Kelliher". The signature is fluid and cursive, written over a horizontal line.

**Margaret Anderson Kelliher**  
President & CEO, Minnesota High Tech Association

Soudin

Committee Members:

Thank you for the opportunity to share my story.

I am a small business owner living in a rural area outside Esko MN. We live on a century farm that my wife's great-grandparents settled. Six years ago we purchased the farm and built a house to be able to provide a home and care for my 95 year old mother-in-law, and to ensure the farm remains in production and is not sold to be sub-divided and developed. I give this background to provide context for why we are trying to make our business work in this location.

We have been successful to date. One other person works in the company, and I contract work to several others. Our success, however, is threatened.

I provide consulting services and rely on visual communication for meetings as well as to facilitate remote trainings and planning sessions. I regularly rely on transferring video and other large files. In short, I need reliable speed and bandwidth. I have neither.

Where I live does not have any fiber optic, cable, or high speed wireless available. Satellite is both unreliable and the data caps make it unusable for my business. Our only other option is DSL. We live 4 miles from the Century Link hub, with old wire. I have been told by the techs that the system was designed to provide service no further than 3 miles from a hub. Despite years of working with Century Link techs to try different fixes and patches, our top speed is 1.3 MG download and about 550 kb upload. This is on the best days. Often the system simply crashes.

With the current service I cannot grow the business, and I am in danger of losing work. To hold a Skype meeting, I must turn off every other service requiring internet, including my wife's accounting services, and then hope the system does not crash, although it would be a rare hour that we wouldn't freeze multiple times. For those of you running businesses, think of making a pitch to a buyer or potential client where you stop talking and stare at them for several minutes a few times during your pitch meeting?

Furthermore, I can't use the cloud for storage. Too long to upload and download files to be feasible. The transfer of moderate files can take hours. We can't use streaming video. In short, we are in danger of not having anything called reliable Internet, and I can't run a business without it. I am at wits end on what to do.

I ask you to take the opportunity of a budget surplus to invest in basic infrastructure. We can't imagine a rural economy without roads, or without phones. Towns without water and sewer. Houses without electricity. We can no longer expect a economy to function without reliable, fast broadband as ubiquitous as water, electricity, roads, and phones.

Thank you. I look forward to seeing an investment correspondent to the need.

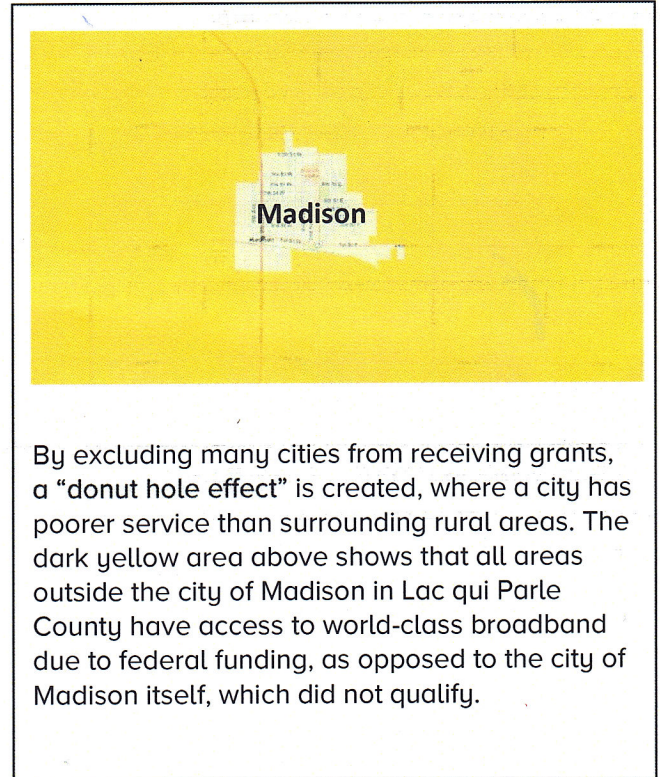
Erik Peterson  
218-348-5115  
Bending the Arc Strategies



# Border-to-Border Broadband Fund Leaves Many Cities Behind

## Border-to-Border Broadband Grants Exclude Many Cities

- **Current Grant Program Flawed:** Although the program was designed to expand access and upgrade poor service, most Greater Minnesota cities do not qualify for a grant.
- **Why This Happens:** The 2010 state speed goals partly define where grants go. Most cities don't qualify because they already have service – albeit poor service.
- **Businesses and Residents Left Out:** Only 1.7% of city residents live in an city that can receive funds – no city that qualifies is over 3,300 in population.
- **Why This Is a Problem:** By excluding medium and large cities, the broadband grant program inadvertently promotes sprawl and encourages businesses to locate or expand outside of cities.



By excluding many cities from receiving grants, a “donut hole effect” is created, where a city has poorer service than surrounding rural areas. The dark yellow area above shows that all areas outside the city of Madison in Lac qui Parle County have access to world-class broadband due to federal funding, as opposed to the city of Madison itself, which did not qualify.

## Updating the Speed Goals Would Allow More Cities to Qualify

- **Higher Speed Goal Would Fix the Problem:** Because of differences in the infrastructure associated with higher speeds, setting the state speed goals to 100 Mbps download / 100 Mbps upload would allow more cities to qualify.
- **Governor’s Task Force Recommendation May Not Be Enough:** Although the Governor’s Broadband Task Force recently recommended setting the speed goal at 100 Mbps download / 20 Mbps upload by 2026, we are unconvinced that this fixes the problem.

Higher speed goals would maximize the economic development impact of broadband grant program.

Cities Eligible for Broadband Grants

Source: MN Office of Broadband

<i>County</i>	<i>Location</i>	<i>Population</i>
Aitkin	HILL CITY	634
Aitkin	MCGRATH	78
Aitkin	MCGREGOR	389
Aitkin	PALISADE	166
Aitkin	TAMARACK	86
Benton	GILMAN	239
Big Stone	BARRY	13
Big Stone	BEARDSLEY	224
Big Stone	JOHNSON	29
Blue Earth	AMBOY	531
Blue Earth	GOOD THUNDER	555
Blue Earth	MAPLETON	1760
Blue Earth	ST CLAIR	865
Blue Earth	VERNON CENTER	323
Brown	COBDEN	34
Brown	COMFREY	365
Brown	EVAN	77
Brown	HANSKA	380
Carlton	BARNUM	611
Carlton	CROMWELL	241
Carlton	KETTLE RIVER	177
Carlton	WRIGHT	124
Cass	BOY RIVER	49
Cass	FEDERAL DAM	110
Cass	REMER	375
Chippewa	WATSON	200
Clay	BARNESVILLE	2621
Clay	COMSTOCK	96
Clay	GEORGETOWN	84
Cook	GRAND MARAIS	1367
Cottonwood	JEFFERS	361
Cottonwood	STORDEN	212
Cottonwood	WESTBROOK	731
Crow Wing	EMILY	830
Crow Wing	FIFTY LAKES	400
Crow Wing	FORT RIPLEY	69
Crow Wing	GARRISON	211
Dakota	MIESVILLE	130
Douglas	CARLOS	502
Douglas	FORADA	161
Douglas	NELSON	186
Faribault	KIESTER	487
Faribault	WALTERS	69
Fillmore	FOUNTAIN	412
Fillmore	HARMONY	1019
Fillmore	OSTRANDER	253
Fillmore	RUSHFORD VILLAGE	827
Fillmore	WHALAN	65
Freeborn	ALDEN	647

<i>County</i>	<i>Location</i>	<i>Population</i>
Freeborn	GENEVA	550
Freeborn	HOLLANDALE	292
Freeborn	MYRTLE	43
Goodhue	BELLECHESTER	168
Goodhue	DENNISON	216
Goodhue	GOODHUE	1183
Goodhue	WANAMINGO	1088
Grant	HERMAN	434
Houston	EITZEN	239
Itasca	BOVEY	822
Itasca	COLERAINE	1972
Itasca	KEEWATIN	1077
Itasca	WARBA	180
Jackson	ALPHA	121
Kanabec	GRASSTON	159
Kanabec	QUAMBA	113
Kandiyohi	BLOMKEST	157
Kandiyohi	LAKE LILLIAN	235
Kandiyohi	PRINSBURG	492
Kandiyohi	RAYMOND	763
Kandiyohi	REGAL	33
Kittson	DONALDSON	44
Kittson	HALLOCK	959
Kittson	HALMA	56
Kittson	HUMBOLDT	42
Kittson	KARLSTAD	760
Kittson	KENNEDY	175
Kittson	LAKE BRONSON	225
Kittson	LANCASTER	342
Koochiching	LITTLEFORK	624
Lake of the Woods	WILLIAMS	185
LeSueur	KILKENNY	131
Lincoln	ARCO	78
Lincoln	HENDRICKS	705
Lyon	BALATON	631
Lyon	FLORENCE	39
Lyon	GHENT	361
Lyon	LYND	442
Lyon	MINNEOTA	1378
Lyon	TAUNTON	133
Mahnomen	BEJOU	94
Marshall	ALVARADO	361
Marshall	ARGYLE	646
Marshall	HOLT	88
Marshall	MIDDLE RIVER	306
Marshall	NEWFOLDEN	378
Marshall	STEPHEN	662
Marshall	STRANDQUIST	71
Martin	CEYLON	350
Martin	DUNNELL	160
Martin	NORTHROP	214
Martin	TRIMONT	726

<i>County</i>	<i>Location</i>	<i>Population</i>
Martin	TRUMAN	1088
Martin	WELCOME	662
McLeod	BISCAY	104
Meeker	KINGSTON	159
Mille Lacs	BOCK	102
Mille Lacs	ISLE	773
Mille Lacs	ONAMIA	876
Mille Lacs	PEASE	241
Mille Lacs	WAHKON	200
Morrison	BOWLUS	287
Morrison	BUCKMAN	287
Morrison	FLENSBURG	224
Morrison	GENOLA	71
Morrison	LASTRUP	102
Morrison	SOBIESKI	189
Morrison	SWANVILLE	341
Mower	DEXTER	342
Mower	ELKTON	140
Mower	SARGEANT	57
Mower	TAOPI	56
Murray	AVOCA	141
Murray	CHANDLER	264
Murray	CURRIE	232
Murray	DOVRAY	57
Murray	IONA	140
Murray	LAKE WILSON	245
Nicollet	NICOLLET	1116
Nobles	ADRIAN	1220
Nobles	BIGELOW	236
Nobles	DUNDEE	66
Nobles	ELLSWORTH	464
Nobles	KINBRAE	10
Nobles	RUSHMORE	343
Nobles	WILMONT	340
Norman	BORUP	111
Norman	HENDRUM	170
Otter Tail	ELIZABETH	294
Pine	BROOK PARK	128
Pine	BRUNO	95
Pine	DENHAM	35
Pine	HENRIETTE	93
Pine	KERRICK	66
Pine	ROCK CREEK	1600
Pipestone	EDGERTON	1147
Pipestone	HATFIELD	49
Pipestone	IHLEN	56
Pipestone	JASPER	614
Pipestone	TROSKY	77
Pope	SEDAN	49
Pope	VILLARD	251
Pope	WESTPORT	55
Redwood	LAMBERTON	810

Cities Ineligible for Broadband Grants

Source: MN Office of Broadband

<i>County</i>	<i>Location</i>	<i>Population</i>
Aitkin	AITKIN	2151
Anoka	ANDOVER	31874
Anoka	ANOKA	17586
Anoka	BETHEL	477
Anoka	BLAINE	62066
Anoka	CENTERVILLE	3931
Anoka	CIRCLE PINES	4961
Anoka	COLUMBIA HEIGHTS	19709
Anoka	COLUMBUS	3887
Anoka	COON RAPIDS	62435
Anoka	EAST BETHEL	11591
Anoka	FRIDLEY	27952
Anoka	HAM LAKE	15666
Anoka	HILLTOP	801
Anoka	LEXINGTON	2068
Anoka	LINO LAKES	21129
Anoka	NOWTHEN	4496
Anoka	OAK GROVE	8337
Anoka	RAMSEY	24811
Anoka	SPRING LAKE PARK	6513
Anoka	ST FRANCIS	7296
Becker	AUDUBON	532
Becker	CALLAWAY	233
Becker	DETROIT LAKES	9053
Becker	FRAZEE	1396
Becker	LAKE PARK	800
Becker	OGEMA	187
Becker	WOLF LAKE	60
Beltrami	BEMIDJI	14376
Beltrami	BLACKDUCK	797
Beltrami	FUNKLEY	10
Beltrami	KELLIHER	266
Beltrami	SOLWAY	89
Beltrami	TENSTRIKE	209
Beltrami	TURTLE RIVER	80
Beltrami	WILTON	256
Benton	FOLEY	2708
Benton	RICE	1317
Benton	SAUK RAPIDS	13307
Big Stone	CLINTON	436
Big Stone	CORRELL	32
Big Stone	GRACEVILLE	582
Big Stone	ODESSA	125
Big Stone	ORTONVILLE	1871
Blue Earth	EAGLE LAKE	2779
Blue Earth	LAKE CRYSTAL	2546
Blue Earth	MADISON LAKE	1137
Blue Earth	MANKATO	41202

<i>County</i>	<i>Location</i>	<i>Population</i>
Blue Earth	PEMBERTON	246
Blue Earth	SKYLINE	290
Brown	NEW ULM	13519
Brown	SLEEPY EYE	3541
Brown	SPRINGFIELD	2096
Carlton	CARLTON	1004
Carlton	CLOQUET	12258
Carlton	MOOSE LAKE	2796
Carlton	SCANLON	987
Carlton	THOMSON	0
Carlton	WRENSHALL	402
Carver	CARVER	4293
Carver	CHANHASSEN	24503
Carver	CHASKA	25270
Carver	COLOGNE	1633
Carver	HAMBURG	501
Carver	MAYER	1829
Carver	NEW GERMANY	407
Carver	NORWOOD YOUNG AMERICA	3731
Carver	VICTORIA	8462
Carver	WACONIA	11520
Carver	WATERTOWN	4226
Cass	BACKUS	242
Cass	BENA	119
Cass	CASS LAKE	761
Cass	CHICKAMAW BEACH	113
Cass	EAST GULL LAKE	996
Cass	HACKENSACK	315
Cass	LAKE SHORE	1033
Cass	LONGVILLE	157
Cass	PILLAGER	467
Cass	PINE RIVER	942
Cass	WALKER	937
Chippewa	CLARA CITY	1319
Chippewa	MAYNARD	358
Chippewa	MILAN	357
Chippewa	MONTEVIDEO	5327
Chisago	CENTER CITY	615
Chisago	CHISAGO CITY	5069
Chisago	HARRIS	1130
Chisago	LINDSTROM	4458
Chisago	NORTH BRANCH	10286
Chisago	RUSH CITY	3076
Chisago	SHAFER	1052
Chisago	STACY	1501
Chisago	TAYLORS FALLS	969
Chisago	WYOMING	7854
Clay	DILWORTH	4246
Clay	FELTON	177
Clay	GLYNDON	1416
Clay	HAWLEY	2137

<i>County</i>	<i>Location</i>	<i>Population</i>
Clay	HITTERDAL	205
Clay	MOORHEAD	41181
Clay	SABIN	541
Clay	ULEN	558
Clearwater	BAGLEY	1413
Clearwater	CLEARBROOK	522
Clearwater	GONVICK	289
Clearwater	LEONARD	41
Clearwater	SHEVLIN	173
Cottonwood	BINGHAM LAKE	126
Cottonwood	MOUNTAIN LAKE	2149
Cottonwood	WINDOM	4636
Crow Wing	BAXTER	8002
Crow Wing	BRAINERD	13659
Crow Wing	BREEZY POINT	2408
Crow Wing	CROSBY	2370
Crow Wing	CROSSLAKE	2193
Crow Wing	CUYUNA	338
Crow Wing	DEERWOOD	532
Crow Wing	IRONTON	575
Crow Wing	JENKINS	444
Crow Wing	MANHATTAN BEACH	59
Crow Wing	NISSWA	2015
Crow Wing	PEQUOT LAKES	2265
Crow Wing	RIVERTON	109
Crow Wing	TROMMALD	102
Dakota	APPLE VALLEY	50330
Dakota	BURNSVILLE	61747
Dakota	COATES	157
Dakota	EAGAN	66810
Dakota	FARMINGTON	22386
Dakota	HAMPTON	697
Dakota	HASTINGS	22492
Dakota	INVER GROVE HEIGHTS	34831
Dakota	LAKEVILLE	59361
Dakota	LILYDALE	948
Dakota	MENDOTA	202
Dakota	MENDOTA HEIGHTS	11124
Dakota	NEW TRIER	121
Dakota	RANDOLPH	465
Dakota	ROSEMOUNT	22490
Dakota	SOUTH ST PAUL	20146
Dakota	SUNFISH LAKE	516
Dakota	VERMILLION	429
Dakota	WEST ST PAUL	19800
Dodge	CLAREMONT	543
Dodge	DODGE CENTER	2724
Dodge	HAYFIELD	1340
Dodge	KASSON	6124
Dodge	MANTORVILLE	1217
Dodge	WEST CONCORD	787

<i>County</i>	<i>Location</i>	<i>Population</i>
Douglas	ALEXANDRIA	13182
Douglas	BRANDON	497
Douglas	EVANSVILLE	615
Douglas	GARFIELD	357
Douglas	KENSINGTON	298
Douglas	MILLERVILLE	107
Douglas	MILTONA	432
Douglas	OSAKIS	1753
Faribault	BLUE EARTH	3309
Faribault	BRICELYN	358
Faribault	DELAVAN	169
Faribault	EASTON	196
Faribault	ELMORE	586
Faribault	FROST	191
Faribault	MINNESOTA LAKE	674
Faribault	WELLS	2297
Faribault	WINNEBAGO	1412
Fillmore	CANTON	348
Fillmore	CHATFIELD	2815
Fillmore	LANESBORO	755
Fillmore	MABEL	768
Fillmore	PETERSON	190
Fillmore	PRESTON	1316
Fillmore	RUSHFORD	1753
Fillmore	SPRING VALLEY	2475
Fillmore	WYKOFF	442
Freeborn	ALBERT LEA	17945
Freeborn	CLARKS GROVE	698
Freeborn	CONGER	139
Freeborn	EMMONS	386
Freeborn	FREEBORN	291
Freeborn	GLENVILLE	626
Freeborn	HARTLAND	307
Freeborn	HAYWARD	251
Freeborn	MANCHESTER	54
Freeborn	TWIN LAKES	148
Goodhue	CANNON FALLS	4108
Goodhue	KENYON	1828
Goodhue	PINE ISLAND	3355
Goodhue	RED WING	16505
Goodhue	ZUMBROTA	3345
Grant	ASHBY	449
Grant	BARRETT	414
Grant	ELBOW LAKE	1165
Grant	HOFFMAN	650
Grant	NORCROSS	68
Grant	WENDELL	161
Hennepin	BLOOMINGTON	86652
Hennepin	BROOKLYN CENTER	29889
Hennepin	BROOKLYN PARK	78362
Hennepin	CHAMPLIN	22880

<i>County</i>	<i>Location</i>	<i>Population</i>
Hennepin	CORCORAN	5513
Hennepin	CRYSTAL	22436
Hennepin	DAYTON	5011
Hennepin	DEEPHAVEN	3793
Hennepin	EDEN PRAIRIE	62593
Hennepin	EDINA	50261
Hennepin	EXCELSIOR	2273
Hennepin	GOLDEN VALLEY	20790
Hennepin	GREENFIELD	2822
Hennepin	GREENWOOD	689
Hennepin	HOPKINS	18971
Hennepin	INDEPENDENCE	3668
Hennepin	LONG LAKE	1851
Hennepin	LORETTO	645
Hennepin	MAPLE GROVE	64448
Hennepin	MAPLE PLAIN	1777
Hennepin	MEDICINE LAKE	387
Hennepin	MEDINA	5831
Hennepin	MINNEAPOLIS	411273
Hennepin	MINNETONKA	51144
Hennepin	MINNETONKA BEACH	539
Hennepin	MINNETRISTA	6763
Hennepin	MOUND	9318
Hennepin	NEW HOPE	20812
Hennepin	ORONO	7785
Hennepin	OSSEO	2529
Hennepin	PLYMOUTH	73633
Hennepin	RICHFIELD	36157
Hennepin	ROBBINSDALE	14512
Hennepin	ROGERS	12230
Hennepin	SAINT ANTHONY	8965
Hennepin	SAINT BONIFACIUS	2364
Hennepin	SAINT LOUIS PARK	47933
Hennepin	SHOREWOOD	7425
Hennepin	SPRING PARK	1809
Hennepin	TONKA BAY	1488
Hennepin	WAYZATA	4476
Hennepin	WOODLAND	478
Houston	BROWNSVILLE	462
Houston	CALEDONIA	2824
Houston	HOKAH	562
Houston	HOUSTON	970
Houston	LACRESCENT	5074
Houston	SPRING GROVE	1305
Hubbard	AKELEY	439
Hubbard	LAPORTE	113
Hubbard	NEVIS	404
Hubbard	PARK RAPIDS	3901
Isanti	BRAHAM	1812
Isanti	CAMBRIDGE	8338
Isanti	ISANTI	5409

<i>County</i>	<i>Location</i>	<i>Population</i>
Itasca	BIGFORK	454
Itasca	CALUMET	369
Itasca	COHASSET	2767
Itasca	DEER RIVER	949
Itasca	EFFIE	126
Itasca	GRAND RAPIDS	11114
Itasca	LAPRAIRIE	671
Itasca	MARBLE	703
Itasca	NASHWAUK	990
Itasca	SQUAW LAKE	109
Itasca	TACONITE	656
Itasca	ZEMPLE	96
Jackson	HERON LAKE	690
Jackson	JACKSON	3369
Jackson	LAKEFIELD	1712
Jackson	OKABENA	187
Jackson	WILDER	64
Kanabec	MORA	3523
Kanabec	OGILVIE	356
Kandiyohi	ATWATER	1135
Kandiyohi	KANDIYOHI	484
Kandiyohi	NEW LONDON	1312
Kandiyohi	PENNOCK	515
Kandiyohi	SPICER	1194
Kandiyohi	SUNBURG	96
Kandiyohi	WILLMAR	19731
Kittson	ST VINCENT	57
Koochiching	BIG FALLS	232
Koochiching	INTERNATIONAL FALLS	6333
Koochiching	MIZPAH	55
Koochiching	NORTHHOME	186
Koochiching	RANIER	583
Lac Qui Parle	BELLINGHAM	158
Lac Qui Parle	BOYD	163
Lac Qui Parle	DAWSON	1492
Lac Qui Parle	LOUISBURG	43
Lac Qui Parle	MADISON	1500
Lac Qui Parle	MARIETTA	151
Lac Qui Parle	NASSAU	64
Lake	BEAVER BAY	182
Lake	SILVER BAY	1860
Lake	TWO HARBORS	3711
Lake of the Woods	BAUDETTE	1079
LeSueur	CLEVELAND	721
LeSueur	ELYSIAN	679
LeSueur	HEIDELBERG	128
LeSueur	KASOTA	671
LeSueur	LECENTER	2506
LeSueur	LESUEUR	4073
LeSueur	MONTGOMERY	2970
LeSueur	WATERVILLE	1880

County	Location	Population
Lincoln	IVANHOE	553
Lincoln	LAKE BENTON	674
Lincoln	TYLER	1129
Lyon	COTTONWOOD	1207
Lyon	GARVIN	134
Lyon	MARSHALL	13719
Lyon	RUSSELL	325
Lyon	TRACY	2135
Mahnomen	MAHNOMEN	1208
Mahnomen	WAUBUN	403
Marshall	GRYGLA	226
Marshall	OSLO	310
Marshall	VIKING	100
Marshall	WARREN	1576
Martin	FAIRMONT	10464
Martin	GRANADA	289
Martin	SHERBURN	1101
McLeod	BROWNTON	735
McLeod	GLENCOE	5552
McLeod	HUTCHINSON	14124
McLeod	LESTER PRAIRIE	1692
McLeod	PLATO	312
McLeod	SILVER LAKE	813
McLeod	STEWART	557
McLeod	WINSTED	2308
Meeker	CEDAR MILLS	43
Meeker	COSMOS	463
Meeker	DARWIN	353
Meeker	DASSEL	1460
Meeker	EDEN VALLEY	1047
Meeker	GROVE CITY	626
Meeker	LITCHFIELD	6741
Meeker	WATKINS	952
Mille Lacs	FORESTON	527
Mille Lacs	MILACA	2911
Mille Lacs	PRINCETON	4732
Morrison	ELMDALE	110
Morrison	HARDING	122
Morrison	HILLMAN	38
Morrison	LITTLE FALLS	8807
Morrison	MOTLEY	663
Morrison	PIERZ	1378
Morrison	RANDALL	638
Morrison	ROYALTON	1236
Morrison	UPSALA	425
Mower	ADAMS	796
Mower	AUSTIN	25010
Mower	BROWNSDALE	686
Mower	GRAND MEADOW	1161
Mower	LEROY	938
Mower	LYLE	551

<i>County</i>	<i>Location</i>	<i>Population</i>
Mower	MAPLEVIEW	178
Mower	RACINE	433
Mower	ROSE CREEK	402
Mower	WALTHAM	152
Murray	FULDA	1290
Murray	HADLEY	54
Murray	SLAYTON	2140
Nicollet	COURTLAND	619
Nicollet	LAFAYETTE	486
Nicollet	NORTH MANKATO	13610
Nicollet	ST PETER	11758
Nobles	BREWSTER	480
Nobles	LISMORE	230
Nobles	ROUND LAKE	377
Nobles	WORTHINGTON	12986
Norman	ADA	1673
Norman	GARY	206
Norman	HALSTAD	587
Norman	PERLEY	87
Norman	SHELLY	185
Norman	TWIN VALLEY	809
Olmsted	BYRON	5264
Olmsted	DOVER	757
Olmsted	EYOTA	2040
Olmsted	ORONOCO	1406
Olmsted	ROCHESTER	111007
Olmsted	STEWARTVILLE	6219
Otter Tail	BATTLE LAKE	888
Otter Tail	BLUFFTON	209
Otter Tail	CLITHERALL	113
Otter Tail	DALTON	249
Otter Tail	DEER CREEK	324
Otter Tail	DENT	190
Otter Tail	ERHARD	142
Otter Tail	FERGUS FALLS	13280
Otter Tail	HENNING	805
Otter Tail	NEW YORK MILLS	1227
Otter Tail	OTTERTAIL	603
Otter Tail	PARKERS PRAIRIE	1016
Otter Tail	PELICAN RAPIDS	2498
Otter Tail	PERHAM	3204
Otter Tail	RICHVILLE	91
Otter Tail	UNDERWOOD	341
Otter Tail	URBANK	50
Otter Tail	VERGAS	347
Otter Tail	VINING	73
Pennington	GOODRIDGE	136
Pennington	ST HILAIRE	279
Pennington	THIEF RIVER FALLS	8722
Pine	ASKOV	358
Pine	FINLAYSON	310

<i>County</i>	<i>Location</i>	<i>Population</i>
Pine	HINCKLEY	1794
Pine	PINE CITY	3203
Pine	RUTLEDGE	221
Pine	SANDSTONE	2745
Pine	STURGEON LAKE	418
Pine	WILLOW RIVER	402
Pipestone	HOLLAND	176
Pipestone	PIPESTONE	4239
Pipestone	RUTHTON	226
Pipestone	WOODSTOCK	120
Polk	BELTRAMI	102
Polk	CLIMAX	276
Polk	CROOKSTON	7902
Polk	EAST GRAND FORKS	8731
Polk	ERSKINE	505
Polk	FERTILE	859
Polk	FISHER	436
Polk	FOSSTON	1530
Polk	GULLY	59
Polk	LENGBY	82
Polk	MCINTOSH	630
Polk	MENTOR	153
Polk	NIELSVILLE	89
Polk	TRAIL	44
Polk	WINGER	221
Pope	CYRUS	294
Pope	FARWELL	52
Pope	GLENWOOD	2560
Pope	LONG BEACH	348
Pope	LOWRY	297
Pope	STARBUCK	1295
Ramsey	ARDEN HILLS	9652
Ramsey	FALCON HEIGHTS	5398
Ramsey	GEM LAKE	413
Ramsey	LAUDERDALE	2461
Ramsey	LITTLE CANADA	9912
Ramsey	MAPLEWOOD	39054
Ramsey	MOUNDS VIEW	12444
Ramsey	NEW BRIGHTON	22084
Ramsey	NORTH OAKS	4793
Ramsey	NORTH ST PAUL	12006
Ramsey	ROSEVILLE	34719
Ramsey	SHOREVIEW	25723
Ramsey	ST PAUL	299641
Ramsey	VADNAIS HEIGHTS	12583
Ramsey	WHITE BEAR LAKE	24159
Red Lake	BROOKS	139
Red Lake	OKLEE	439
Red Lake	PLUMMER	297
Red Lake	RED LAKE FALLS	1427
Redwood	BELVIEW	370

<i>County</i>	<i>Location</i>	<i>Population</i>
Redwood	CLEMENTS	149
Redwood	DELHI	66
Redwood	MORGAN	885
Redwood	REDWOOD FALLS	5207
Redwood	SANBORN	325
Redwood	SEAFORTH	77
Redwood	VESTA	304
Redwood	WABASSO	687
Redwood	WALNUT GROVE	846
Redwood	WANDA	82
Renville	BIRD ISLAND	1010
Renville	BUFFALO LAKE	695
Renville	DANUBE	470
Renville	FAIRFAX	1197
Renville	FRANKLIN	490
Renville	HECTOR	1104
Renville	MORTON	388
Renville	OLIVIA	2445
Rice	DUNDAS	1458
Rice	FARIBAULT	23631
Rice	LONSDALE	3821
Rice	MORRISTOWN	999
Rice	NORTHFIELD	20313
Rock	HILLS	683
Rock	LUVERNE	4704
Rock	STEEN	180
Roseau	ROSEAU	2663
Roseau	WARROAD	1781
Saint Louis	AURORA	1697
Saint Louis	BABBITT	1505
Saint Louis	BIWABIK	1008
Saint Louis	BUHL	1005
Saint Louis	CHISHOLM	5029
Saint Louis	COOK	570
Saint Louis	DULUTH	86367
Saint Louis	ELY	3491
Saint Louis	EVELETH	3694
Saint Louis	GILBERT	1817
Saint Louis	HERMANTOWN	9726
Saint Louis	HIBBING	16340
Saint Louis	HOYT LAKES	2033
Saint Louis	IRON JUNCTION	87
Saint Louis	KINNEY	169
Saint Louis	LEONIDAS	50
Saint Louis	MCKINLEY	126
Saint Louis	MOUNTAIN IRON	2903
Saint Louis	PROCTOR	3100
Saint Louis	TOWER	502
Saint Louis	VIRGINIA	8640
Saint Louis	WINTON	170
Scott	BELLE PLAINE	6572

<i>County</i>	<i>Location</i>	<i>Population</i>
Scott	ELKO NEW MARKET	4472
Scott	JORDAN	6148
Scott	NEW PRAGUE	7439
Scott	PRIOR LAKE	24911
Scott	SAVAGE	29047
Scott	SHAKOPEE	39523
Sherburne	BECKER	4693
Sherburne	BIG LAKE	10587
Sherburne	CLEAR LAKE	587
Sherburne	ELK RIVER	23730
Sherburne	ZIMMERMAN	5297
Sibley	ARLINGTON	2213
Sibley	GAYLORD	2289
Sibley	GIBBON	764
Sibley	HENDERSON	895
Sibley	WINTHROP	1395
Stearns	ALBANY	2633
Stearns	AVON	1444
Stearns	BELGRADE	734
Stearns	BROOTEN	747
Stearns	COLD SPRING	4081
Stearns	FREEPORT	668
Stearns	GREENWALD	225
Stearns	HOLDINGFORD	713
Stearns	KIMBALL	776
Stearns	MEIRE GROVE	176
Stearns	MELROSE	3659
Stearns	NEW MUNICH	323
Stearns	PAYNESVILLE	2443
Stearns	RICHMOND	1433
Stearns	ROCKVILLE	2509
Stearns	SARTELL	16949
Stearns	SAUK CENTRE	4406
Stearns	SPRING HILL	87
Stearns	ST ANTHONY	86
Stearns	ST AUGUSTA	3404
Stearns	ST CLOUD	66462
Stearns	ST JOSEPH	6805
Stearns	ST MARTIN	307
Stearns	ST ROSA	64
Stearns	ST STEPHEN	860
Stearns	WAITE PARK	7473
Steele	BLOOMING PRAIRIE	1986
Steele	ELLEDALE	675
Steele	MEDFORD	1242
Steele	OWATONNA	25660
Stevens	ALBERTA	97
Stevens	CHOKIO	389
Stevens	DONNELLY	238
Stevens	HANCOCK	772
Stevens	MORRIS	5436

<i>County</i>	<i>Location</i>	<i>Population</i>
Swift	APPLETON	1374
Swift	BENSON	3163
Swift	CLONTARF	153
Swift	DANVERS	94
Swift	HOLLOWAY	88
Swift	KERKHOVEN	736
Swift	MURDOCK	263
Todd	BERTHA	482
Todd	BROWERVILLE	777
Todd	BURTRUM	142
Todd	CLARISSA	668
Todd	EAGLE BEND	517
Todd	GREY EAGLE	338
Todd	HEWITT	254
Todd	LONG PRAIRIE	3421
Todd	STAPLES	2952
Traverse	BROWNS VALLEY	583
Traverse	TINTAH	58
Traverse	WHEATON	1392
Wabasha	ELGIN	1087
Wabasha	KELLOGG	441
Wabasha	LAKE CITY	5031
Wabasha	MINNEISKA	109
Wabasha	PLAINVIEW	3331
Wabasha	WABASHA	2510
Wadena	ALDRICH	44
Wadena	MENAHGA	1342
Wadena	NIMROD	69
Wadena	SEBEKA	707
Wadena	VERNDALE	594
Wadena	WADENA	4092
Waseca	JANESVILLE	2280
Waseca	WALDORF	224
Waseca	WASECA	9365
Washington	AFTON	2949
Washington	BAYPORT	3767
Washington	BIRCHWOOD	858
Washington	COTTAGE GROVE	35250
Washington	DELLWOOD	1094
Washington	FOREST LAKE	19484
Washington	GRANT	4185
Washington	HUGO	14201
Washington	LAKE ELMO	8594
Washington	LAKE ST CROIX BEACH	1055
Washington	LAKELAND	1806
Washington	LAKELAND SHORES	303
Washington	LANDFALL	748
Washington	MAHTOMEDI	8043
Washington	MARINE ON ST CROIX	696
Washington	NEWPORT	3482
Washington	OAK PARK HEIGHTS	4648

<i>County</i>	<i>Location</i>	<i>Population</i>
Washington	OAKDALE	28655
Washington	PINE SPRINGS	418
Washington	SCANDIA	4023
Washington	ST MARY'S POINT	375
Washington	ST PAUL PARK	5314
Washington	STILLWATER	18892
Washington	WILLERNIE	528
Washington	WOODBURY	66119
Watonwan	BUTTERFIELD	584
Watonwan	MADELIA	2320
Watonwan	ST JAMES	4604
Wilkin	BRECKENRIDGE	3355
Wilkin	NASHUA	62
Wilkin	ROTHSAY	493
Wilkin	WOLVERTON	143
Winona	ALTURA	483
Winona	DAKOTA	311
Winona	GOODVIEW	4064
Winona	LEWISTON	1593
Winona	MINNESOTA CITY	195
Winona	ROLLINGSTONE	659
Winona	ST CHARLES	3727
Winona	STOCKTON	719
Winona	UTICA	277
Winona	WINONA	27581
Wright	ALBERTVILLE	7262
Wright	BUFFALO	15911
Wright	CLEARWATER	1775
Wright	COKATO	2742
Wright	DELANO	5757
Wright	HANOVER	3150
Wright	HOWARD LAKE	2046
Wright	MAPLE LAKE	2109
Wright	MONTICELLO	13125
Wright	MONTROSE	3073
Wright	OTSEGO	14968
Wright	ROCKFORD	4367
Wright	ST MICHAEL	16983
Wright	WAVERLY	1390
Yellow Medicine	ECHO	269
Yellow Medicine	GRANITE FALLS	2824

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2381

**DATE:** March 17, 2016

**Version:** Delete everything amendment (H2381DE1)

**Authors:** Baker

**Subject:** Broadband

**Analyst:** Bob Eleff

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### Overview

House File 2381 amends provisions of the state's broadband grant program, administered by the Office of Broadband Development in the Department of Employment and Economic Development. The bill appropriates \$35 million from the general fund in FY 2017 for grants.

#### Section

- 1 [116J.391] **Subd. 1. Definitions.** Amends the definition of "broadband conduit."
- 2 [116J.394] **Definitions.** Amends definitions of "unserved areas" and "underserved areas."
- 3 [116J.395] **Subd. 4. Application process.** Requires the commissioner of DEED to publish the criteria and weighting scheme that will be used to evaluate or rank applications at least 30 days before applications may be submitted for the current grant cycle
- 4 [116J.395] **Subd. 5. Application contents.** Requires grant applicants to include names of vendors that provided the applicant information on the project, as well as the vendor's experience constructing broadband projects.
- 5 [116J.395] **Subd. 5a. Incumbent right of first refusal.** Adds a subdivision requiring an applicant to send a copy of the grant application to all incumbent broadband providers serving the proposed project area. Requires an applicant to withdraw its application if an incumbent provider provides the applicant written notice of its intent to begin construction of a broadband project that meets or exceeds the state broadband goals within 12 months of the date grant awards are to be made, and to complete construction within 24 months.
- 6 [116J.395] **Subd. 8. Application evaluation report.** Requires the Office of Broadband Development to submit an annual report to the legislature listing all grant applications

**Section**

received during the previous year, the grant amounts requested and awarded, and the results of any quantitative scoring system used to rank applications.

7 **[237.012] Subd. 1. Universal access and high-speed goal.** Amends the state goal to require universal access to broadband speeds of at least 25 Mbps download and three Mbps upload by 2022.

8 **Appropriation.** Appropriates \$35 million in fiscal year 2017 from the general fund to the commissioner of DEED for broadband grants, \$500,000 of which is targeted to projects in areas with a significant proportion of households earning 200 percent or less of federal poverty-income guidelines. Directs the commissioner to award 60 percent of grant funds in unserved areas and 40 percent in underserved areas.