

FACT SHEET | Connecting to the 21st Century Economy

2016 Budget for a Better Minnesota

Ensuring that every Minnesotan has access to affordable, reliable, broadband internet is essential for an innovation economy that works for everyone, everywhere in Minnesota. High-speed broadband internet is the basic infrastructure of the 21st Century. Our students rely on it, our businesses depend on it, and our regional centers need it to foster innovation. That is why Governor Mark Dayton and Lt. Governor Tina Smith have proposed a \$100 million state investment in broadband internet expansion. This funding would leverage additional local and private resources to significantly expand rural broadband internet access across Minnesota.

Border-to-Border Broadband Access

- **Jumpstarting Investment** – Expanding Minnesota’s broadband internet infrastructure to ensure border-to-border access for every Minnesotan could cost an estimated \$900 million to \$3.2 billion. The Governor and Lt. Governor’s \$100 million investment would jumpstart Minnesota’s expansion efforts to move Minnesota towards an innovation economy that works for everyone, everywhere in our state. And based on past grant funding, this investment would leverage at least \$100 million more in private and local sources.
- **Complementing Federal Funding** – In the coming years, four Minnesota internet providers will receive federal funding from the Connect America Fund. While federal resources for broadband infrastructure are helpful they are not sufficient to buildout a border-to-border access. Minnesota’s Border-to-Border grant program addresses the limitations of these federal funds. Broadband infrastructure funded by our state program will require a higher speed standard, be available to more rural areas of the state, and will leverage additional private and local investments.

Basic Infrastructure for a 21st Century Economy

- **Innovation Infrastructure** – Minnesota entrepreneurs export their ideas and innovations to customers across the country and around the world, and they rely on affordable, reliable broadband internet to make it happen. Border-to-border access will help ensure that all Minnesotans get a fair shake and help build an economy that works for everyone, not just the wealthy few.
- **Supporting Good-Paying Jobs** – High-speed broadband enhances educational outcomes, workforce training opportunities, and private sector development. As a result, broadband infrastructure is crucial for our future prosperity and for Minnesota businesses competing in a global economy.
- **Revitalizing Minnesota Main Streets** – Now more than ever, rural development is closely tied to the effective use of new and emerging information technologies. Communities with a poorly developed information technology infrastructure will be unable to generate new business expansions and retain existing businesses and residents.
- **Enhancing Education** – In much of Greater Minnesota, internet service is expensive and marred by slow speeds and frequent outages. This makes it difficult for students to gain access to online resources and for schools to use new innovative tools and teaching methods.
- **Maximize Agricultural Production** – Precision agriculture relies heavily on the availability of broadband services to maximize crop production and monitor the health of farm animals. Broadband access is critical for Minnesota’s farmers to feed the world today, keep up with increased food production worldwide, and access export opportunities today and in the future.
- **Ensuring Access to Healthcare** – Greater Minnesota already is experiencing a shortage of family practice doctors, specialists, and dentists. Greater Minnesota also has a higher proportion of Minnesotans age 65 and older. Telemedicine helps bring the doctor to the patient and enable our seniors to keep living at home. However, we need border-to-border broadband access to make telemedicine available to all Minnesotans, no matter where they live.

Broadband Internet Access – By the Numbers

\$100 Million	Governor Dayton and Lt. Governor Smith’s proposed investment in broadband
35,000	Number of additional homes, businesses, and institutions across Minnesota that would gain broadband internet access with a \$100 million investment
244,000	Estimated number of Minnesota households that lack access to broadband internet at speeds recommended by the Governor’s Broadband Task Force.