



Increase Funding for Broadband Access

Position: Hospitality Minnesota supports expanded funding for broadband access in Minnesota through the Border-to-Border Broadband Development Grant Program.

Background: A thriving modern Minnesota economy hinges upon the state's ability to interconnect every region of the state and the global economy through technology. Minnesota has fallen behind in this regard, ranking as only the 20th most connected state.

The Legislature had set a goal of providing all businesses and residents access to broadband by 2022, and access to speeds of 100Mbps/20Mbps by 2026. Progress has been made in the past 6 years as the percentage of Minnesotans without access to broadband that meets the FCC's minimum speed threshold has been cut in half. However, more than 198,000 Minnesotans still do not have access to high-speed broadband with over 80% of the unserved and underserved areas located in Greater Minnesota. According to the [2022 Governors Broadband Task Force Final report](#), for broadband speed universally accessible to residents and businesses, Minnesota ranks 15th and 26th in Gigabit. Hospitality Minnesota has worked as part of a coalition to support increased funding in recent years. In 2021 the Legislature dedicated \$70M to expanding broadband in Minnesota on top of a \$40M investment in the previous biennium. The State should continue to make strategic investments to provide universal access in Minnesota as quickly as possible.

Improved access to broadband:

- Makes it easier to start and operate businesses, such as a restaurants, hotels, motels, lodges, resorts, campgrounds, attractions, and outfitter and guide businesses in Minnesota.
- Improves the market reach of businesses in greater Minnesota and helps to close the "digital divide" (the difference between access, affordability and connectivity when comparing rural and urban Minnesota).
- Helps Minnesota hospitality and tourism businesses effectively compete in the global marketplace.
- Improves customer connectivity experience with rural hospitality businesses around the state. This is especially important given that, in today's modern economy, many customers expect to interact with businesses electronically and/or require 24/7 technology access even while engaged in tourism.
- Enables remote and virtual work for guests, which has become an option for many in the past 2 years, and improves the market for business in Minnesota.
- Helps rural communities attract and retain younger workers to address labor shortages.
- Connects all four corners of the state to each other and to the global market, helping to drive a thriving modern Minnesota economy we all can benefit from.

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