



March 21, 2025

Chair Putnam, Members of the Committee and Senator Rest:

On behalf of the 6,300 members of the Minnesota Chamber of Commerce, representing all sizes of business and industries across the state and their over 500,000 employees, we respectfully oppose SF 2045 (Sen Rest).

The Chamber is committed to fostering economic growth and opportunity across Minnesota. Our members know that digital commerce drives both a vibrant local and a globally competitive economy. Minnesota businesses, their employees, and their families require robust, modern, secure and accessible communications. Remote work, telehealth, E-learning, and global commerce continue to drive demand for broadband.

Minnesota's telecommunications providers have invested billions of dollars to build out infrastructure increasing access, speed and availability for customers. In addition, public investment in broadband expansion has reached hundreds of millions of dollars in recent years, with significant additional funding already guaranteed over the next decade.

Historic investments have made significant progress toward equal access to broadband.

The added fees proposed in Section 5 would allow a local franchising authority to raise revenue, but not necessarily to improve broadband access. The allowed uses for the proposed new revenue – other than offsetting right of way construction costs - are not clearly defined in the bill. At a time when costs matter for Minnesota businesses and families, we oppose increasing the cost of broadband access.

Thank you for your consideration of our views.

Sincerely,

A handwritten signature in black ink that reads "Michelle Benson". The signature is written in a cursive, flowing style.

Michelle Benson  
Director of Energy and Commerce Policy  
Minnesota Chamber of Commerce

# ST PAUL

## AREA CHAMBER

MAKING CONNECTIONS THAT COUNT

401 N Robert Street, Suite 150  
St. Paul, MN 55101

March 21, 2025

Senator Aric Putnam, Chair  
Senate Agriculture, Veterans, Broadband, and Rural Development Committee  
3215 Minnesota Senate Building  
St. Paul, MN 55155

**Re: Opposition for S.F. 2045 - Internet Tax Bill**

Dear Chair Putnam and Committee Members,

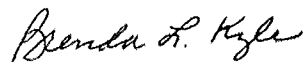
On behalf of the St. Paul Area Chamber's 1900+ members and affiliates, I am writing in opposition to S.F. 2045, which allows local governments to impose duplicative and uncapped franchising taxes on broadband companies operating in Minnesota.

Minnesota is known for its commitment to innovation and progress. However, this legislation would stifle this spirit of innovation and hamper our state's ability to thrive in an increasingly digital world. We should not pass policies that create barriers to access and prevent the growth of broadband infrastructure at a time when reliable internet connectivity is needed to drive local economic growth.

We are concerned that this legislation will increase broadband costs for lower-income consumers, who have been impacted by the expiration of the Affordable Connectivity Program's \$30 monthly broadband subsidy last year. This program was instrumental in providing low-income households with access to affordable broadband services, bridging the digital divide and promoting economic inclusion. Legislation that imposes additional financial burdens would further jeopardize the affordability and accessibility of broadband services for those who need them most.

I urge you to consider the potential impact of this legislation as you make decisions that will shape the future of broadband access in Minnesota. We cannot afford to make internet access more costly and less accessible. For these reasons, we hope you will oppose S.F. 2045.

Sincerely,



B Kyle  
President and CEO  
St. Paul Area Chamber



St. Paul Area Chamber



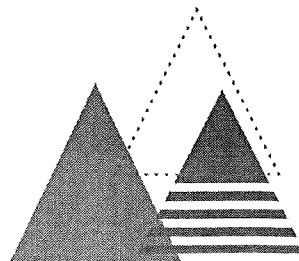
@SPACC #connectingstp



@stpaulchamber



St. Paul Area Chamber





March 20, 2025

Senator Arik Putnam, Chair  
Agriculture, Veterans, Broadband, and Rural Development Committee  
3215 Minnesota Senate Building  
St. Paul, MN 55155

Senator Robert J. Kupec, Vice Chair  
Agriculture, Veterans, Broadband, and Rural Development Committee  
3101 Minnesota Senate Building  
St. Paul, MN 55155

**RE:                    Opposition to SF 2045**

Dear Chair Putnam and Vice Chair Kupec,

On behalf of CTIA®, the trade association for the wireless communications industry, I write to express our opposition to SF 2045, which would grant local franchising authorities (“LFAs”) the authority to require wireless providers to obtain franchises and pay franchise fees. This legislation may stifle the wireless industry’s efforts to expand networks and improve connectivity by imposing unlawful requirements on wireless providers.

At a time of exploding consumer demand for wireless services, our industry is working hard to deploy and upgrade infrastructure and create jobs and economic growth for Minnesota communities. Success in these efforts depends on regulatory certainty for our members, whose capital budgets are created 18-24 months in advance. Our members focus resources in states and localities with a regulatory framework that welcomes investment. This predictability fuels economic growth in Minnesota, where our industry supports approximately 57,000 jobs and generates \$5.7 billion in state GDP growth. Creating more regulatory hurdles and barriers like those outlined in SF 2045 will only slow deployment and put economic growth at risk.

First, SF 2045 raises serious legal issues under federal law. For example, Section 332(c)(3) of the federal Communications Act prohibits states and localities from regulating the entry of wireless providers in any jurisdiction. If an LFA requires a wireless provider to obtain a franchise for it to be allowed to provide service to that locality, that requirement would violate this federal statute. In addition, if the LFA requires a wireless provider to pay a franchise fee that is based on the wireless provider’s revenues or that is otherwise not based on the LFA’s reasonable costs to review and grant a franchise application, it would run afoul of Section 253(a) and 332(c)(7) of the Communications Act.<sup>1</sup>

Second, a host of provisions in SF 2045 are vague, duplicative and unnecessary. For example, the bill sets no guardrails on what wireless providers must do or must comply with before they can obtain a

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<sup>1</sup> *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, 36 FCC Rcd 9088 at ¶¶ 72-76 (2018), *aff’d in part sub nom. City of Portland v. US*, 969 F.3d 1020 (9<sup>th</sup> Cir. 2020); *XO Missouri v. City of Maryland Heights*, 256 F. Supp. 987 (E.D. Mo. 2003).



March 18, 2025

The Honorable Aric Putnam, Chair  
Minnesota Senate Agriculture Committee  
3215 Minnesota Senate Building  
St. Paul, MN 55155

The Honorable Torrey Westrom, Ranking Minority Member  
Minnesota Senate Agriculture Committee  
2201 Minnesota Senate Building  
St. Paul, MN 55155

**RE: SF 2045 / HF 974**

Chair Putnam and Lead Westrom,

On behalf of Greater Mankato Growth, the chamber of commerce and economic development organization representing more than 900 members in the greater Mankato region, I write to share our concerns of SF 2045 / HF974, the Internet Tax Bill.

We urge the committee members to oppose the Internet Tax Bill. This bill would allow cities throughout Minnesota to require broadband providers to negotiate complicated franchise agreements in each jurisdiction. This would dramatically slow broadband deployment across the state, adding costs to consumers, businesses, and families. There are many other critical priorities at the Capitol, the Internet Tax Bill is not something that should move forward.

The mission of GMG is to support and promote the economic growth and vitality of our members and the regional marketplace. Businesses are already facing ever-increasing costs without the addition of a new tax for a fundamental tool needed to run their business. Minnesota cannot afford to make internet access most costly and less accessible. We urge lawmakers to adopt policies that promote growth and innovation – not imposing new costs that will hinder business operations and growth.

We urge you to oppose SF 2045 / HF 974.

Respectfully,

Andy Wilke  
Executive Vice President

CC: Sen. Nick Frentz  
Sen. Rich Draheim  
Rep. Luke Frederick  
Rep. Erica Schwartz  
Rep. Bjorn Olson  
Rep. Paul Torkelson  
Rep. Terry Stier

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