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February 10, 2012

Senator Julie Rosen Chair, Senate Energy, Utilities and Communications Committee Minnesota Senate 75 Rev. Dr. Martin Luther King Jr. Blvd. Room 317, State Capitol Building St. Paul, MN 55155-1606

Senator Dan Sparks Minnesota Senate 100 Rev. Dr. Martin Luther King Jr. Blvd. State Office Building, Room 19 St. Paul, MN 55155-1206 Representative Joe Hoppe Chair, House Commerce and Regulatory Reform Committee Minnesota House of Representatives 100 Rev. Dr. Martin Luther King Jr. Blvd. Room 563, State Office Building St. Paul, MN 55155-1206

Representative Joe Atkins Minnesota House of Representatives 100 Rev. Dr. Martin Luther King Jr. Blvd. Room 209, State Office Building St. Paul, MN 55155-1206

Dear Senator Rosen, Representative Hoppe, Senator Sparks and Representative Atkins:

Under Minn. Stat. section 237.012, the 2010 Legislature adopted broadband goals for the State of Minnesota, including that no later than 2015 all state residents and businesses have access to high-speed broadband that provides minimum download speeds of ten to 20 megabits per second (Mbps) and minimum upload speeds of five to ten Mbps; that Minnesota be among the top five states for broadband speed universally accessible to residents and businesses; that Minnesota be among the top five states for broadband access; and that when compared to countries globally Minnesota rank among the top 15 for broadband penetration. Pursuant to section 237.012, subdivision 3, the Commissioner of the Minnesota Department of Commerce is to report annually on the achievement of these goals. This report is submitted by the Commissioner in conformance with that statute.

With regard to the specific goals established under section 237.012, the State's progress towards achievement of the goals by 2015 can be summarized as follows:

- 87.84% of Minnesota households have download speeds of at least ten Mbps available to them
 under data compiled by Connect Minnesota. (Data is collected by household, not business and
 household.) When you look at both a download speed of at least ten Mbps and an upload
 speed of 6 Mbps,¹ 57.40% of Minnesota households are at or above the broadband speed goals.
- Under data compiled by Akamai for their second quarter 2011 State of the Internet Report, Minnesota ranked 24th for universally accessible broadband speeds.

¹ Connect Minnesota collects data under a federal grant. That grant specifies the speed tiers for the data collection and the 6 Mbps upload speed tier most closely approximates the Minnesota goal of a 5 Mbps upload speed.

- According to FCC data, Minnesota ranks approximately 30th for broadband access in comparison to the other states.
- When compared to countries globally for broadband penetration, no state level information was found to be readily comparable to country rankings to measure this goal. Further consideration on an appropriate measurement will be done for inclusion in the 2012 report.

Attached is a report prepared by the Governor's Task Force on Broadband that discusses the broadband goals in more detail and broadband activities generally in Minnesota. Also attached is an outline that the Governor's Task Force will use as a guide to produce a broadband plan in December 2012 that will contain recommendations for achieving the statutory broadband goals.

If you have any questions or wish to discuss further, please do not hesitate to contact me.

Sincerely,

Mike Rothman Commissioner