



Innovation Spotlight: Rural Broadband in Minnesota

Over the next few months, Joint Economic Committee Democrats will highlight cutting-edge policy solutions that empower small towns and rural communities across the nation.

Problem: Americans living in remote, rural, and tribal communities tend to have less access to high-speed broadband than their urban counterparts. Today, more than 23 million rural residents lack access to broadband, which prevents them from tapping into better medical care, online education, job training, and other services that fuel local economic growth.¹ In all, broadband internet accounts for more than \$30 billion in annual consumer benefits.²

Background: The absence of high-speed internet had held back residents and businesses in south central Minnesota, including farmers who relied on the internet to execute crucial tasks and students who needed to access key educational resources. Two counties in rural Minnesota – Renville and Sibley – joined forces to start the RS Fiber project, a rural co-op that is improving internet access for residents across four counties in an area over 700 square miles in size.³



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Solution: Co-ops are member-owned associations that are democratically run and accountable to the community. Since its creation in 2012, the RS Fiber co-op has attracted 10 cities and 17 townships in order to build an estimated \$45 million telecommunications network to service more than 6,000 households, farms, and small businesses. This model has enabled RS Fiber to keep its operations local. After raising seed funding through a bond issuance and undertaking an extensive grassroots marketing campaign, RS Fiber has already laid nearly 100 miles of fiber-optic cable, connecting wireless towers and offering affordable service to over 1500 households and businesses, including 638 homes in the city of Winthrop.⁴

Looking Ahead: RS Fiber represents a promising model for rural and small town communities that lack broadband infrastructure. Other cities, as far away as Fairbanks, Alaska, are looking to the RS Fiber model for guidance on how to build community support, overcome private and public barriers, and secure funding in order to expand access to high-speed internet.⁵ Congress also should be invest in closing the digital divide through existing programs like the FCC's Universal Service Fund and by experimenting with grant dollars that allow partners like rural co-ops to focus on those areas with the highest need.⁶

¹ <https://www.jec.senate.gov/public/cache/files/ff7b3d0b-bc00-4498-9f9d-3e56ef95088f/the-digital-divide-.pdf>

² https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160308_broadband_cea_issue_brief.pdf

³ <https://ilsr.org/wp-content/uploads/downloads/2016/04/rs-fiber-report-2016.pdf>

⁴ <http://www.bbpmag.com/Features/0816RSFiber-Conduit.php>

⁵ <http://www.govtech.com/network/Alaskans-Look-to-Minnesota-Co-Op-Model-for-Internet.html>

⁶ <https://www.democrats.senate.gov/files/documents/BDUniversalHighSpeed9.28.17.pdf>