



Minnesota Rural Electric Association



11640 73rd Avenue N | Maple Grove, MN 55369 | p: 763-424-1020 f: 763-424-5820 | www.mrea.org

March 22, 2022

State Representative Gene Pelowski, Chair
State Representative Debra Kiel, Minority Lead
Members of the House Industrial Education and Economic Development
Finance and Policy Committee

RE: HF 3605 (Rep. Jordan Rasmusson)

Dear Chair Pelowski, Representative Kiel and members of the committee,

The Minnesota Rural Electric Association (MREA) is the statewide association representing the interests of all 50 of Minnesota's non-profit rural electric cooperatives – which are owned by their members, governed by their members, and operate solely for the benefit of their 1.7 million members around the state.

We offer this letter on HF 3605. With regard to section 3 of the bill, relating to cable broadband easements, we note that similar language was enacted for Minnesota's electric cooperatives in the 2021 Minnesota Legislative session. We are fine with cable providers being able to use their existing easements for this same purpose.

The Senate companion to HF 3605 includes language that references Minnesota Statutes sections 237.045 and 237.04 in relation to easements in railroad rights-of-way. We are fine with including this same language in HF 3605 as well, as long as it is clearly understood that this language is meant only to clarify that neither this legislation nor the cooperative association easement provision enacted last session is intended to alter the applicability or requirements of sections 237.04 and 237.045.

With regard to the line extension provision in sections 1 and 2, a number of MREA members that are focused on broadband issues share the concern that the Minnesota Rural Broadband Association (MRBA) expressed in a March 3 letter to the Senate author of the companion to HF 3605, quoted in part below:

The Coalition is concerned that, with limited funds currently available, pilot project grants would compete against larger, community-based projects in the Border-to-Border grant program. Any grants for this new pilot program would use the same funding source as the Border-to-Border grant program.¹

The MREA agrees with the MRBA that the line extension program, if enacted, should be funded using state general funds, instead of Border-to-Border funds as allowed under section 2. As noted by the MRBA, "This would ensure that communities that have worked hard to partner with internet service providers for a Border-to-Border grant do not miss out because there isn't enough money in the bank."²

Thank you for the opportunity to comment on HF 3605. Please do not hesitate to contact me if you have any questions.

Mike Bull, Director
Policy and Regulatory Affairs

¹ Letter from Jay Trusty, Chair, Minnesota Rural Broadband Coalition to Senator Torrey Westrom and the members of the Senate Agriculture and Rural Development Committee, March 3, 2022.

² Same.