

Act Now for a Democratic Information Network in Minneapolis

Institute for Local Self-Reliance • New Rules Project • www.newrules.org/info/minneapolis

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Minneapolis is moving forward to allow a single private company to own and operate a citywide wireless network. The City would be an anchor tenant, buying communications services for city departments, schools and libraries.

This decision was made with virtually no public input. The City Council agreed to a privately owned and operated network in November 2004. The Request for Proposals was issued in April 2005. To this date, no public hearings on the issue have been held.

No feasibility study was done by Minneapolis that considered public ownership. Hundreds of other U.S. cities have successfully created municipally owned high-speed information networks, including, in Minnesota, Chaska, Moorhead, and Windom. Saint Louis Park recently announced its decision to build a publicly owned network.

Ownership is control. The City's long-term, dependent relationship on Time Warner has been decidedly unsatisfactory. In fact, the City sued Time Warner for 20 years of cable franchise violations in April 2005. Given its bitter experience depending on a private monopoly for its information past, why would the City want to depend on a private monopoly for its information future?

The city can own a network without being a service provider. Cities own roads but don't operate trucking companies. Cities routinely own physical infrastructure. A publicly owned network would not be a monopoly. Indeed, given the increasingly concentrated nature of our telecommunications industry, and the willingness of the federal government to allow private companies to unilaterally decide who can use their networks and at what price, a publicly owned network available to all providers on equal terms may be the only way to ensure competition.

Public ownership is fiscally responsible. Public ownership can reduce the City's substantial spending on information and communications services.

Public ownership can lead to better services and lower prices. If the network is publicly owned, the City can periodically re-bid the contract for municipal services. If a privately owned network is poorly operated or not competitively priced, the City's only choices are to continue with the inadequate service provider or construct a new network.

Private ownership can inhibit technological innovation. If the City relies on a private, proprietary network, it will also rely on the private company's willingness to introduce technological innovations.

It is not too late for the City to reconsider the current plan for a privately owned network. But that will happen only if citizens act NOW. We invite your group to consider a resolution containing these points:

- The City should hold public meetings that include a discussion of ownership before making any further decisions regarding the wireless initiative.
- The City Council should initiate a feasibility study that considers public ownership of a high-speed information network, similar to those done by Saint Louis Park and other cities.
- The City Council should not enter contract negotiations with a single bidder until such a study has been completed and the results made available for public comment.

For more information, please see our *Minneapolis Wireless Information Packet*, or our white paper, *Who Will Own Minnesota's Information Highways?* Both are available at www.newrules.org.