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**WRITTEN STATEMENT FOR THE RECORD BEFORE THE U.S. HOUSE  
COMMITTEE ON SMALL BUSINESS**

**“WIRED FOR GROWTH: HOW EXPANDING BROADBAND CAN REVITALIZE  
RURAL SMALL BUSINESSES”**

September 3, 2025

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Founder & CEO, Small Business Majority

Dear Chair Williams, Ranking Member Velázquez and members of the House Committee on Small Business:

As a leading representative and advocate on behalf of America’s 36 million small businesses, Small Business Majority writes to provide written testimony on the importance of expanding access to reliable, affordable high-speed broadband for rural small businesses and entrepreneurs.

Small Business Majority is a national small business organization that empowers America's entrepreneurs to build a thriving and equitable economy. From our 12 offices across the country, we engage our network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enables us to educate stakeholders about key issues impacting America’s entrepreneurs, with a special focus on the smallest and most under-resourced businesses.

**Access to reliable broadband is essential to the growth and innovation of rural small businesses**

Small businesses play an outsized role in the success and sustainability of rural communities across the country – providing a critical means of generating local wealth, employment opportunities, and an overall sense of community which helps rural communities attract and retain residents and economic opportunity. According to recent data from the U.S. Small Business Administration (SBA), small businesses account for nearly 85% of the establishments in rural counties and over 54% of employment in rural counties, compared to 83% of establishments and 46% of employment in metropolitan counties.<sup>1</sup> The entrepreneurial spirit has long been rooted in rural communities, where starting a business often provides a vital pathway to income, independence and financial security in places where employment opportunities can be scarce.

As our economy grows increasingly reliant on digital marketplaces and emerging technologies, reliable broadband is essential for small businesses—not only to succeed but to remain competitive with larger corporations. For rural communities in particular, reliable broadband allows small businesses and entrepreneurs to reach broader customer bases while providing greater flexibility to grow their workforce through remote work opportunities. Given their geographic location, rural small businesses are less likely to have immediate access to business support organizations, including SBA resource partners, and brick-and-mortar bank branches that provide critical in-person services to entrepreneurs. Reliable broadband can bridge these resource gaps – enabling rural entrepreneurs to access online lenders and vital educational resources at the click of a button. In a recent study by the Center on Rural Innovation, rural

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<sup>1</sup> “Small Business Facts: Small Businesses in Rural Areas.” U.S. Small Business Administration Office of Advocacy. August 22, 2023. <https://advocacy.sba.gov/2023/08/22/small-businesses-in-rural-areas/>

counties that are considered to have high broadband utilization have business growth rates that are 213% higher compared to rural counties without high broadband utilization. Self-employment growth rates are also 10% higher in high utilization counties – highlighting the critical role broadband access plays in entrepreneurship and small business growth.<sup>2</sup>

### **Lack of reliable broadband in rural communities is hindering opportunities for entrepreneurial growth**

While small businesses, and the larger national economy, depend on broadband for day-to-day operations, entrepreneurs located in rural communities continue to face disproportionate barriers in accessing reliable and affordable high-speed internet. According to the Federal Communication Commission's (FCC) 2024 broadband deployment report, 28% of Americans living in rural areas and more than 23% of people on Tribal lands are not connected to fixed broadband.<sup>3</sup> Due to the unique challenges of deploying reliable fixed broadband networks to rural communities, rural entrepreneurs are often faced with higher costs, spotty service and slower speeds which ultimately inhibits their ability to start and grow their business and puts them at a disadvantage as they compete with bigger companies.

Small Business Majority national polling found that 85% of small businesses located in rural areas have access to broadband compared to 91% of businesses in suburban areas and 93% in urban areas.<sup>4</sup> Nearly half of survey respondents with broadband access also indicated that they had slower download speeds, and 15% of business owners said that they experienced service disruptions at least once a month.<sup>5</sup> For small business owners without broadband, in rural, suburban, and urban communities alike, 29% say it's because it's too expensive and they can't afford it, and another 16% say there isn't a reliable broadband provider in their community.<sup>6</sup> In a previous Small Business Majority study on the unique challenges and opportunities facing rural small businesses, rural entrepreneurs also expressed concerns about connectivity, with 11% identifying the lack of reliable broadband as one of the top three challenges facing their business. Rural stakeholders and business owners who participated in the study's focus group also noted that a lack of access to broadband hurts efforts from technical assistance providers to establish programs for local entrepreneurs.

As small businesses and entrepreneurs across rural communities nationwide continue to experience barriers in accessing reliable and affordable high-speed broadband, we urge Congress and the administration to work closely with states to ensure the successful implementation of the Infrastructure and Investment in Jobs Act's (IIJA) Broadband Equity, Access, and Deployment (BEAD) Program. The BEAD program, which provided more than \$42 billion to states to expand high-speed broadband access and adoption to unserved and underserved communities, presents a historic opportunity to extend reliable broadband to millions of rural small businesses and entrepreneurs – contributing directly to the sustainability and prosperity of rural America.

Rural entrepreneurs in Small Business Majority's network have shared the following statements on both the importance of reliable connectivity for their business and how a lack of access to reliable broadband impacts their day-to-day operations:

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<sup>2</sup>“Beyond Connectivity: The Role of Broadband in Rural Economic Growth and Resilience.” Center on Rural Innovation. September 30, 2024. <https://ruralinnovation.us/wp-content/uploads/2024/09/CORI-Beyond-Connectivity-Broadband-Rural-Economic-Growth-Report.pdf>

<sup>3</sup> “Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion.” Federal Communications Commission. March 18, 2024. <https://docs.fcc.gov/public/attachments/FCC-24-27A1.pdf>

<sup>4</sup> “Digital Transformation: Small businesses face obstacles, opportunities in using digital technologies in the wake of the pandemic.” Small Business Majority. August 22, 2024. <https://smallbusinessmajority.org/sites/default/files/research-reports/digital-transformation-small-businesses-face-obstacles-opportunities-in-wake-of-the-pandemic.pdf>

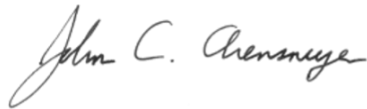
<sup>5</sup> Ibid.

<sup>6</sup> “Digital transformation: Survey finds lack of digital fluency in key areas, need for additional support.” Small Business Majority. February 21, 2023. <https://smallbusinessmajority.org/sites/default/files/research-reports/Survey-small-businesses-lack-digital-fluency-need-additional-support-feb-2023.pdf>

- **Small business owner in Alamogordo, New Mexico:** *“Internet access is extremely unique in regard to business transactions. It opens up the world to economic-based jobs and that is a job funded by customers outside of the state. If I'm selling products outside of the state, that's money flowing into New Mexico. That brings money into my rural community, and they say for every economic-based job, it creates 1.5 to 2 base jobs. You have to have that influx.”*
- **Margo Clayson, owner of the Mighty Microgreen in Inkom, Idaho:** *“Reliable access to the internet is, of course, an imperative for a rural business. Without the internet, I don't have a business as we don't have phone reception out here. We were on Big Dog internet for years, but it recently became unstable and unreliable, at times being down for hours. Being in the middle of 'nowhere', we have few options. There are no cable options – no company wants to put in cable when there are so few customers per mile. To get Big Dog, we ran a cable 300 feet up our hill to a radio relay pointed at a dish 4+ miles away on another mountain. The speeds were decent, but it became unreliable as this area grew and with more people taking up bandwidth.”*
- **Shayai Lucero, owner of Earth and Sky Floral Designs and Gallery in Laguna, New Mexico:** *“I run my floral shop out of a home studio, but being in a rural area and living on Native American tribal land means I don't have access to the infrastructure that many businesses often take for granted, including high-speed internet. Although a fiber optic data line runs outside the fencing next to my house, I can't gain access to it.”*
- **Jessi Burg, founder of Outgrow Your Garage in Delta, Colorado:** *“I now have 6 gigabit fiber thanks in part to federal funding from the Biden administration's 2021 infrastructure act. Prior to this, I spent about six months relying on an AT&T hotspot, which was expensive, capped and unreliable. Access to reliable broadband was a deciding factor in my decision to move to Delta, Colo., and federal funding initiatives have made rural places like Delta a possibility for business owners like me that need broadband to run our businesses.”*

We appreciate the Committee for holding this important hearing and for its work in addressing the unique challenges facing rural small businesses and entrepreneurs. For any questions or additional information, please contact our Government Affairs Director, Alexis D'Amato, at [adamato@smallbusinessmajority.org](mailto:adamato@smallbusinessmajority.org).

Sincerely,



John Arensmeyer  
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Small Business Majority