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302 14th Street · 218-879-1261 · FAX-879-6941
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## Memorandum

TO: Members of the Senate Education Finance Committee

FROM: Dr. Michael Cary, Superintendent

DATE: 3/21/2025

RE: Senate File 1679

To the Members of the Senate Education Finance Committee:

I am writing to share background information regarding our request that you support Senate File 1679.

Cloquet Public Schools has a long and strong tradition regarding our ice hockey programs. Over the programs' existence, we have produced Division I student athletes, National Hockey League (NHL) and Professional Women's Hockey League (PWHL) players, international professional hockey players and Olympians. We are proud of the strong tradition that has been established and it's a cultural cornerstone of the community.

In more recent years, this tradition has become a cooperative one with our neighboring communities of Esko and Carlton. For years, we have been the Cloquet-Esko-Carlton (CEC) Lumberjacks. We share a high school hockey program for both boys and girls as well as a cooperative youth association between the communities that begins when students enter the Squirt level of youth hockey (approximately 4<sup>th</sup> grade). This cooperative was necessary to keep the program strong due to declines in rural student population.

Over the years, rural Minnesota has seen significant decline in population and, especially, schoolaged children. Cloquet Public Schools once graduated cohorts around 300 students per grade level. At present, our graduating classes are nearer to 175 students and our data suggests this number will likely decline slowly over the coming decade. The northeastern region of Minnesota has experienced an approximately 7% decline in overall student enrollment since the pandemic, with post pandemic birth rates indicating this trend will likely continue.

I share this information to highlight the importance of school districts collaborating to maintain robust programming and extracurricular activities for our students.

Currently, Minnesota law allows for individual school districts to levy for the excess cost of operating and maintaining an ice arena. Unfortunately, it does not have a provision that extends this levy authority across a cooperative of school districts who are sharing a collective program. We are asking the legislature to consider expanding this authority to allow cooperatives to better share the cost of operating an arena in support of our combined programs. The current limitation to individual districts creates a few key problems for cooperatives that I will outline.

First, the limitation creates an issue of taxation fairness across participating districts. The current law only allows one district to access the levy. This creates a situation where cooperatives who share programming may only levy excess costs within the boundaries of one of the participant districts. This creates issues of fairness when one community must bear a disproportionate cost in financially supporting a program that is shared across multiple communities.

Secondly, this creates an issue of financial capacity to support the overall program. The nature of cooperating to support programming is to allow the costs and responsibilities to be shared across a larger group of districts. This helps to ensure sufficient student numbers to sustain the program and provides a broader base for the necessary financial obligations in supporting the program. Limiting the levy authority to one cooperating district also creates a situation where one district in the cooperative has the ability to generate additional revenue, while the others do not. This limits the capacity of any cooperative to be able to meet the financial obligations of operating the program and puts additional financial strain on the districts who are not able to access the levy.

We hope you will strongly consider supporting this legislative change. We are simply asking for the legal authority to work together as a cohesive collaborative to share in the management and expense of operating our cooperative program.

As the likelihood that other districts across Minnesota will need to explore a cooperative, such as ours, to maintain their programs, we hope the legislature will support this legislation to assist them in creating a functioning cooperative for the good of children.

Sincerely,

Dr. Michael Cary

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Superintendent of Cloquet Public Schools