

MN Permanent School Fund

- Minnesota voters will have an opportunity this fall to vote on a proposed constitutional amendment that would change how revenue from the state's [Permanent School Fund](#) is distributed to public schools.
- General Election: November 3, 2026 For WAO, approval of the amendment could mean additional annual revenue for the district.
- The Permanent School Fund was created in the Minnesota Constitution in 1858 with the goal of supporting public education. The fund receives revenue from state school trust lands through activities such as timber sales, mining, leases, and other natural resource uses.
- The State Board of Investment is responsible for investing the fund's assets, while the Minnesota Department of Education distributes the available funding to school districts.
- Despite this significant growth, the current constitutional formula primarily bases school distributions on interest and dividend income. As a result, the amount distributed to schools each year has not increased at the same pace as the overall value of the fund.
- What would the amendment change? The proposed amendment would update the way annual distributions from the Permanent School Fund are calculated. Instead of basing distributions primarily on interest and dividends, the new formula would allow them to be based on the fund's total market value.
- Under the amendment, schools would receive a distribution equal to 4.5% of the fund's three-year rolling average value. Because the current distribution formula is part of the Minnesota Constitution, changing the formula requires approval from Minnesota voters.
- Why is a change being considered? The Permanent School Fund has seen significant growth, increasing from approximately \$675 million in 2010 to more than \$2.3 billion in 2025.

- The Minnesota Legislature then approved legislation to put the proposed constitutional amendment before voters. The House passed the legislation unanimously, 133-0, while the Senate approved it by a vote of 43-24.
- What could it mean for schools? The proposed change is expected to result in larger annual distributions to schools than they receive under the current formula.
- For context, the fund distributed \$68 per student in 2025. Under the proposed formula, that amount could increase to an estimated \$101 per student.
- Funding would be distributed on a per-pupil basis to every public school district, charter school, and tribal school. Districts would be able to decide how to use the funds based on the needs of their students and their local priorities, and they would not have to submit an application to receive the funding.
- The proposed amendment would not result in an increase to property taxes, income taxes, sales taxes, or any other taxes. Instead, it would change how money from an existing trust fund is distributed rather than creating a new source of funding or a new government program.

A reminder for voters If you choose not to mark a choice on the Permanent School Fund amendment, your ballot will count as a “No” vote. To have your vote counted on the question the way you like, be sure to select either “Yes” or “No.” Every vote matters.