Permanent School Trust Fund Constitutional Amendment

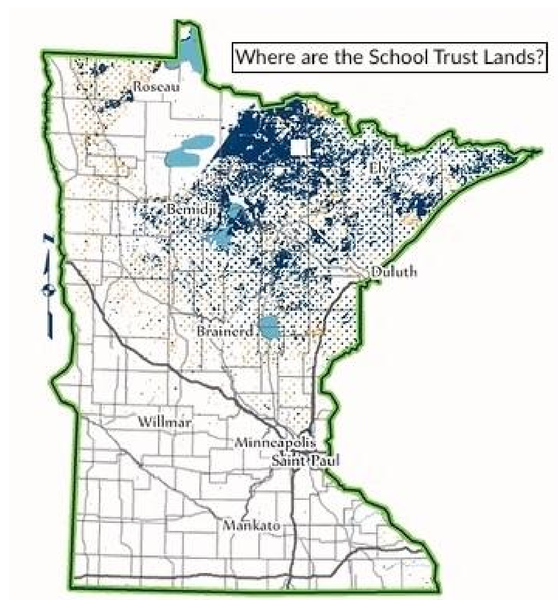
What Minnesota voters will decide | General election: November 3, 2026

Takeaway

The amendment changes how an existing education trust distributes revenue. It would not create or increase individual income or property taxes. The published district projection shows $137,835 in additional annual revenue for Grand Rapids Area Schools.

What the Permanent School Fund is

- **Minnesota's Permanent School Fund began at statehood.** In 1858, the federal government granted Minnesota millions of acres of land to support public schools. Much of the southern land was sold in the late 1800s, and state policy later shifted toward preserving the remaining lands for students' long-term benefit.
- **The fund operates as a permanent education endowment.** Revenue from timber, mining, leases, and other uses of school trust lands is invested to support both current and future generations of Minnesota students.
- **Minnesota retains substantial trust land interests.** More than 2.5 million acres of land remain, along with mineral rights on approximately 1 million additional acres.
- **The fund is a statewide source of school operating revenue.** It exceeded $2.3 billion in 2025, and annual distributions are made to school districts and charter schools on a per-pupil basis. The FY2025 distribution was approximately $68 per pupil.
- **Voters will consider updating the distribution formula.** Current constitutional language limits distributions primarily to interest and dividends, even when much of the fund's growth comes from market appreciation. Following study by a nonpartisan task force, the Legislature voted in May 2026 to place a proposed constitutional amendment before voters.



What the amendment would change

- Replace the interest-and-dividends-only method with an annual distribution equal to 4.5% of the fund's average net asset value over the preceding three fiscal years.
- Direct the fund to provide annual distributions while preserving purchasing power and balancing the needs of current and future students.
- Begin the new calculation July 1, 2027, for aid payable in fiscal year 2028, if voters approve the amendment. Estimated at about $28/student.
- Keep the fund dedicated to public education; districts would continue to receive funds through the existing per-pupil process, with local decisions about use.

Published projection for Grand Rapids Area Schools

Current method	Proposed method	Projected difference
$284,742	$422,577	+$137,835

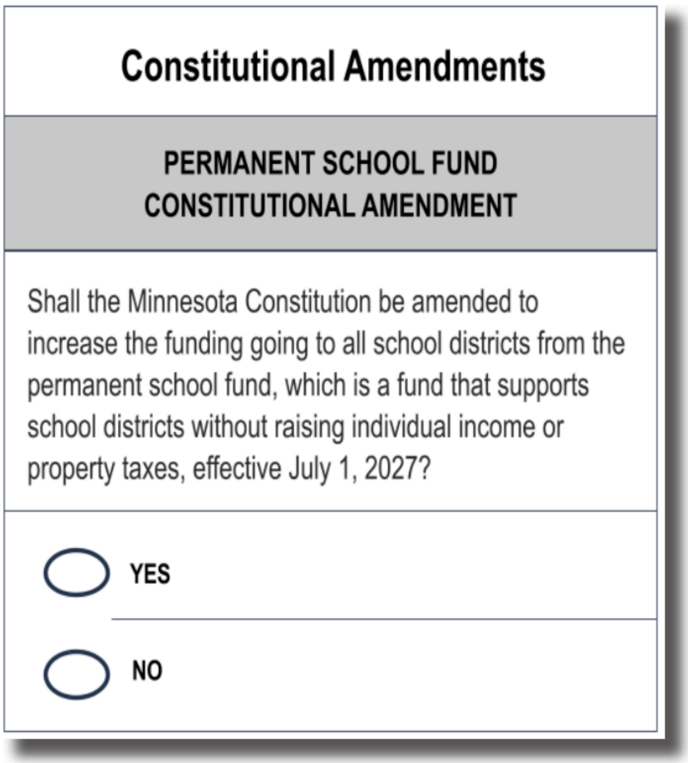
District projection based on 3,800 students. Future amounts will vary with fund value and enrollment.

How the vote works

- **Passage standard.** "Yes" votes must be a majority of all voters who cast a ballot in the election. Leaving the amendment blank has the same practical effect as voting no because a blank does not count toward the required majority.
- **Outcome.** If approved, the 4.5% formula begins for FY2028 aid. If not approved, the current interest-and-dividends framework remains.

Ballot language

This question appears on the back, on the bottom of the ballot. There is concern that due to its location, some voters may not make it all the way to the end.



Constitutional Amendments

PERMANENT SCHOOL FUND CONSTITUTIONAL AMENDMENT

Shall the Minnesota Constitution be amended to increase the funding going to all school districts from the permanent school fund, which is a fund that supports school districts without raising individual income or property taxes, effective July 1, 2027?

YES

NO