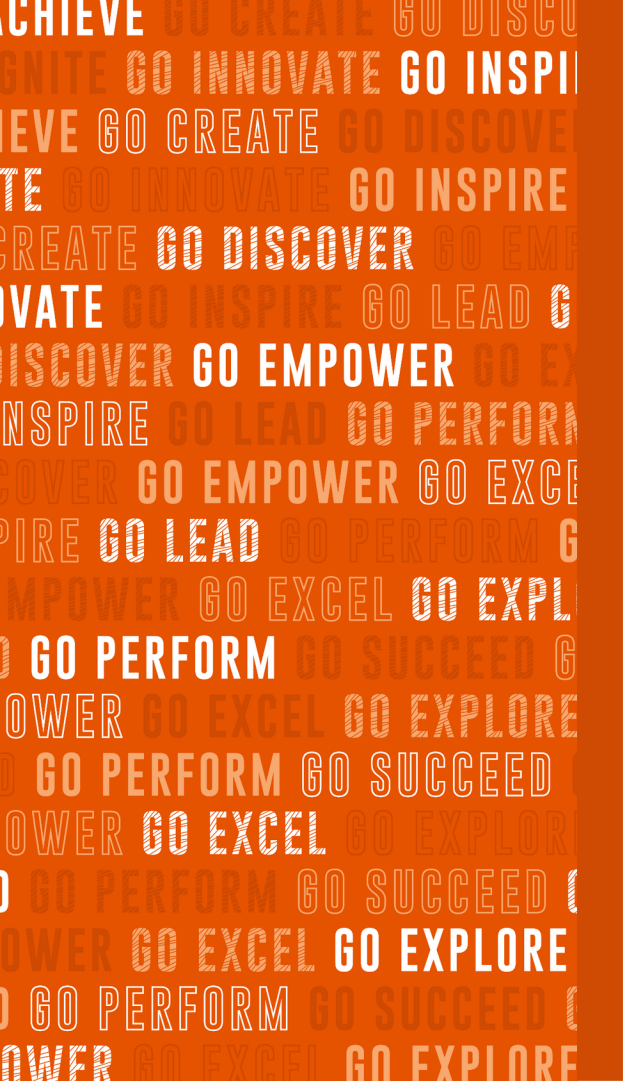


Minnesota's Permanent School Trust

Constitutional Amendment 2026

School Board Presentation - Sept 28, 2026

mnPSFamendment.org

A Historic Endowment for Education

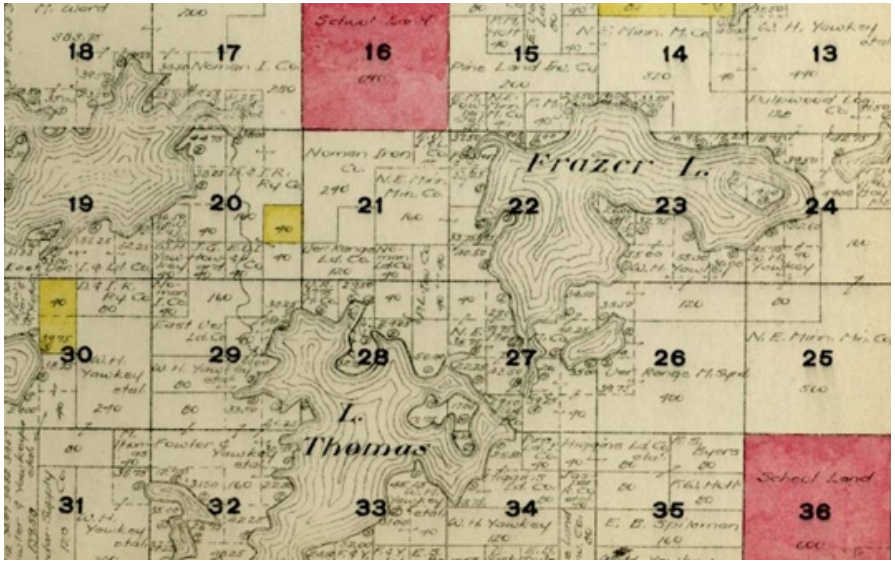
Established in 1858: The Federal gov't provided land as a self-sustaining funding source for public schools.

Was written into Sect 8 of the State's Constitution

Built on Proceeds from Public Lands: The fund is built upon proceeds from the sale of resources form the public lands, such as timber, minerals, crops would act as a perpetual endowment for public education.

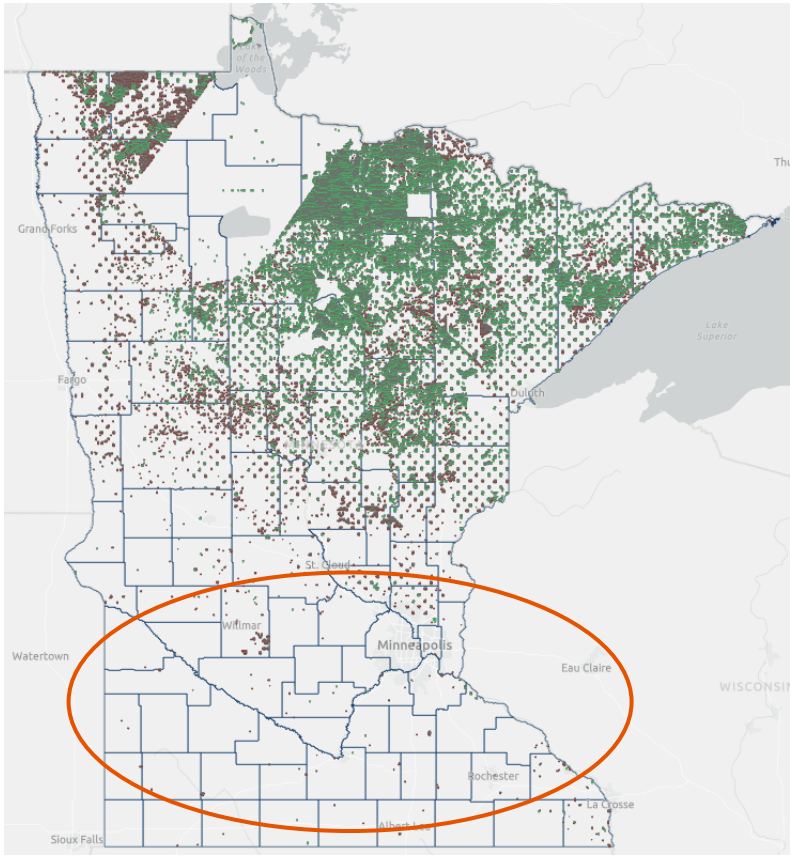
Massive Scale: Today, the state manages over 2.5 million total acres of trust land, plus an additional 1 million acres used for mineral rights.

Revenue Generation and Management: The fund continuously generates revenue and funds are invested and distributed to schools annually.



GO BEARS

Where are MN School Public Trust Lands?



- In the late 1800's, land in the southern counties was sold to promote agriculture.
- In 1900, the legislature decided no School Land Trust property could be sold.
- 92% of remaining lands are in ten northern counties
- Lands include forests, grasslands, farmlands, construction aggregate deposits, developed and undeveloped mineral resources and wetlands.

GO BEARS

Who Manages the Land and the Fund?

Several state agencies work together to manage the Permanent School Fund.

Dept. of Natural Resources

Responsibility:
Land Management.
The DNR manages the physical school trust lands and generates the revenue from natural resource activities.

State Board of Investment

Responsibility:
Asset Management.
The SBI receives the revenues and rigorously invests the assets of the Permanent School Fund into financial markets.

Department of Education

Responsibility:
Distributions.
MDE calculates and distributes the annual payments from the fund directly to public school districts and charter schools.

Responsibly managed, the fund has grown over time.

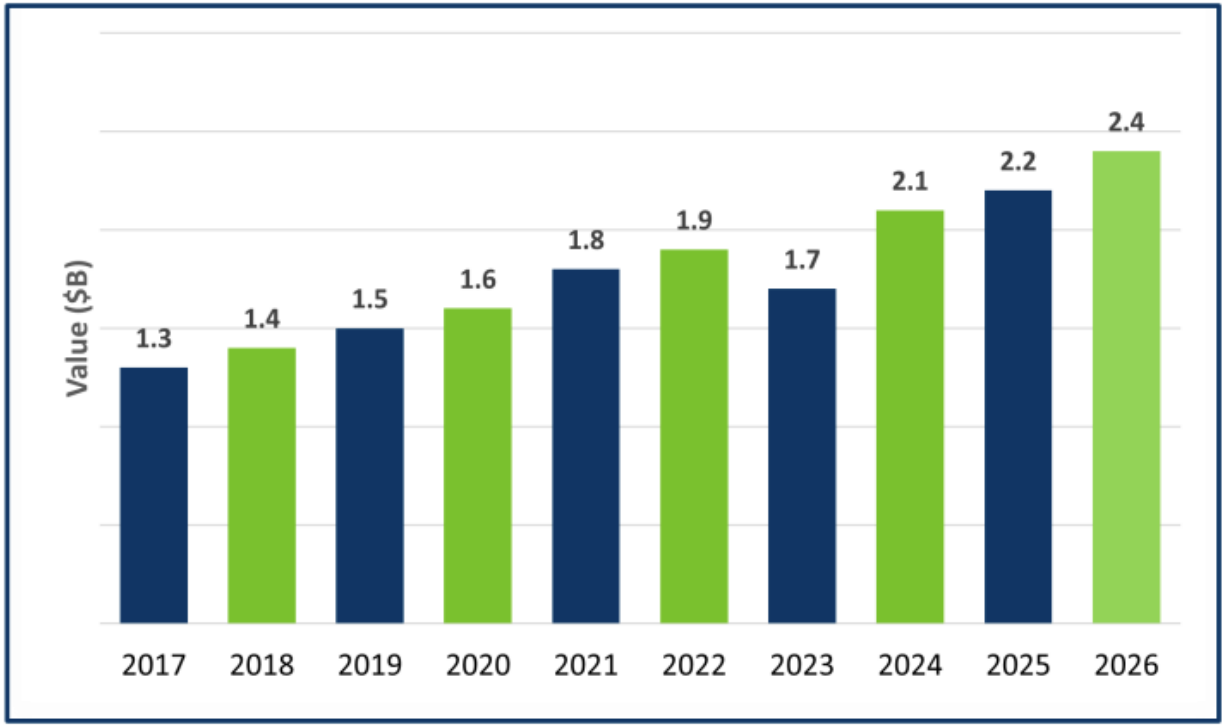
GO BEARS

PERMANENT SCHOOL FUND

The Fund's Value:
2010: $675M
2017: $1.3 B
2026: $2.4B

Growth: 255.6%
CAGR: 8.25%
(CAGR=Compound Annual Growth Rate)

2017–2026 VALUE



PERMANENT SCHOOL FUND TASK FORCE

2024 - MN Legislature Called for a Non-Partisan Task Force to Study the Fund

- Studied Policies of Trusts in MN and other states.
- Modeled a variety of payout strategies against historical and forward looking market expectations.
- Determined the fund could increase the payout AND maintain its value to support schools in perpetuity.

TASK FORCE RECOMMENDATION:

To increase the annual distribution from the fund to 4.5% of the three-year average net value, effective July 1, 2027.

GO BEARS

2026 LEGISLATIVE SESSION

Task force recommendation was debated and successfully passed during the Minnesota legislative session.

HOUSE OF REPRESENTATIVES

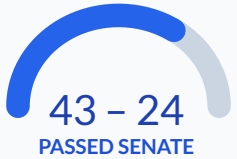


Bill HF3900

Sponsor: Rep. Spencer Igo (R-Wabana Township)

Included the Task Force's recommendation.

MINNESOTA SENATE



Bill SF3593

Sponsor: Sen. Mary Kunesh (D-New Brighton)

Included the Task Force's recommendation.

GO BEARS

What the Amendment Does…

What would change and why?

CURRENT:	PROPOSED:
2.5% annual distribution	Estimated 4.5% annual distribution
Interest and dividends only	Based on 3 yr average of the full fund value
Around $68 per pupil per district in 2025	Increases payout by about $33 per pupil, to $101

This recommendation preserves the fund balance for future generations of public school students and increases distributions for current students.

What does the Amendment Mean to the White Bear Lake Area Schools?

The proposal adds $273,848 to our revenue.

Does not impact property, income taxes, or the state budget.

The proposed amendment would ***stabilize*** and ***improve*** an important source of funding.

- 2025 Funding was: **$565,711**

If the amendment passes - funding would increase approximately 48%

- 2027 Funding Estimate: **$839,559**

GO BEARS

WHAT WILL VOTERS SEE ON THE BALLOT?

CONSTITUTIONAL AMENDMENT

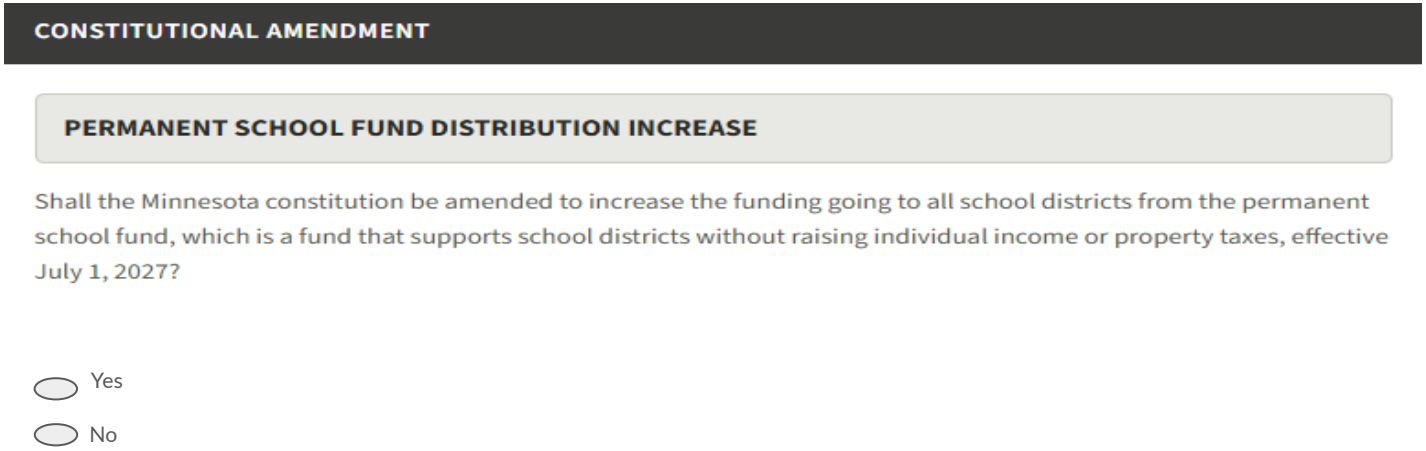
PERMANENT SCHOOL FUND DISTRIBUTION INCREASE

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

GO BEARS

YES, NO or leaving it BLANK



What a "*YES*" vote means:

A yes vote would allow Minnesota to distribute up to 4.5% of the Permanent School Fund's average value each year to public schools.

What a "*NO*" vote means:

A no vote keeps the current constitutional language and current distribution framework in place.

Not Voting - counts as a no. If a ballot is left blank (no vote) the question is registered as a NO vote.

Questions?

