



7800 Metro Parkway Suite 300 | Bloomington, Minnesota 55425
952-767-4909 | mnpta@mnpta.org | www.mnpta.org

Our mission: To make every child's potential a reality by engaging and empowering families and communities to advocate for all children.

March 14, 2026

Re: HF 3900 - Permanent school fund modified to calculate distributable earnings, and constitutional amendment proposed

Dear Members of the House Education Finance Committee,

Minnesota PTA supports HF 3900 to put a Constitutional Amendment before Minnesota voters to improve the method used to distribute funds to school districts from the Permanent School Fund (PSF).

School districts continue to face significant funding challenges. Cost increases in staff salaries, health insurance, transportation, curriculum and other school district expenditures essential to a quality education for our kids are still increasing faster than the rate of inflation. Many school districts are already planning budget cuts for next school year and beyond, meaning cuts to programs, teachers and staff, and services. Our schools need funding that is stable, predictable and sustainable to meet the growing needs of our students.

At a time when there are no plans to allocate dollars to close the gap between past revenues and cost increases due to inflation, and districts face losses in compensatory revenue and a \$250 million cut in special education funding, using the PSF as a source of consistent, additional revenue for schools requires serious consideration.

The PSF exceeds \$2.2 billion, but the current distribution method using net interest and dividend income has limited the dollars that can be shared with districts today and is an inconsistent revenue stream that is not useful for school district budget planning from year to year. The Permanent School Fund Task Force Report from January 2026 concluded that changing the distribution method to 4.5% of the three-year rolling average market value of the PSF could “nearly double near-term distributions while also achieving long-term growth of the fund.” Changing the distribution method and amount would continue to protect the money in the PSF for future generations, while making more dollars available to today’s students to face today’s mounting challenges. In addition, using the PSF to increase current funding for Minnesota schools would not raise taxes or divert revenues from other state programs.

Minnesota PTA has supported and advocated for parents, students, and educators across the state for over 100 years, and our support for this legislation continues this work. We currently have over two hundred local units in Minnesota with 4,000 members representing all forms of schools, including rural, suburban, urban, district, and charter. The Minnesota PTA is a state congress of the National PTA, the oldest and largest child advocacy organization in the nation, with over 20,000 local units in all fifty states.

Both the National PTA and Minnesota PTA believe that every child must be provided with a well-rounded, high-quality education, which will ensure that all children have the opportunity to reach their full potential and become productive members of society. Access to a free public education where schools are adequately, sustainably and predictably funded is one of the most effective tools to secure this opportunity, and HF 3900 could be an important lever that could get us closer to achieving this goal.

Thank you for your consideration.

Rachel Coleman
President, Minnesota PTA

Joanne Barkmeier
Advocacy Commissioner, Minnesota PTA

Co-Chair Representative Ron Kresha, Co-Chair Representative Cheryl Youakim
House Education Finance Committee and Committee Members
75 Rev Dr Martin Luther King Jr Boulevard
Minnesota State Capitol, Room 120
St. Paul, MN 55155

SENT VIA EMAIL

March 16, 2026

RE: Support for H.F. 3900 (Igo)

Constitutional Amendment proposal to modify the permanent school fund to calculate distributable earnings - **Letter of Support from Northeastern Minnesota School Superintendents**

Dear Co-Chair Kresha, Co-Chair Youakim, and Committee Members:

As superintendents from northeastern Minnesota concerned about the funding crisis in our schools, we write in support of HF 3900 (Igo). We support the bill as introduced, as well as the recommendations of the Permanent School Fund Distributions of Earnings Task Force. We urge you to join us in moving forward with the constitutional amendment and associated legislative recommendations. If passed, this will provide additional funding to our public schools at no additional cost to the state.

Our schools, and others around the state, are faced with challenges such as declining enrollment, difficulty passing operating referenda, and onerous transportation costs, to name a few. As such, we appreciate the additional funding and flexibility of these unrestricted funds that are available to our schools through distributions from the Permanent School Fund (PSF).

We understand and support that distributions from the PSF continue to benefit public school students and support districts statewide. Along with a modern investment strategy, the working public lands in our area of northeastern Minnesota have generated and continue to generate the vast majority of funds for the PSF. Despite the disparities in the generation of those funds, we understand and support that distributions from the permanent school fund should continue to benefit public school students and districts statewide.

However, it is time to modernize the fund.

By adopting a Percentage of Market Value (POMV) model aligned to 4.5% you are maximizing the return to beneficiaries and adopting a distribution model that is in alignment with modern trust practice. This bill increases available funding for our and all public schools and allows the state to practice sound financial management, all while preserving the fund as a perpetual resource for the future.

This proposal will help students and keep school doors open. As leaders, we look for ways to make the most out of the opportunities we have and be the wisest stewards of our resources. This bill is an opportunity to do just that.

Sincerely,

Northeastern Minnesota School Superintendents
(continued next page)
cc. Representative Spencer Igo



Matt Grose, Superintendent
Grand Rapids Public School District, ISD 318



Carrie McDonald, Superintendent
Hibbing Public School District, ISD 701



Dr. Noel Schmidt, Superintendent
Rock Ridge Public Schools, ISD 2909



David Pace, Superintendent
Greenway Public School District, ISD 316



Lisa Perovich, Superintendent
Chisholm Public School District, ISD 695



Dr. Reggie Engebritson, Superintendent
Mountain Iron-Buhl School District - ISD 712
St. Louis County Schools, ISD 2142



Dr. Rae Villebrun, Superintendent
Nashwauk-Keewatin Schools, ISD 319



Dr. Jeff Burgess, Superintendent
Mesabi East School District, ISD 2711



Mark Morrison, Superintendent
Northland Community Schools, ISD 116



Gina Kleive, Superintendent
Lake Superior Public School District, ISD 381



Chris Lindholm, Superintendent,
Cook County Schools, ISD 166



Anne Oelke, Superintendent
Ely Public School District, ISD 696



Rick Aulie, Superintendent
Crosby-Ironton Public School District, ISD 182



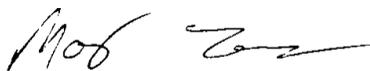
Dan Stifter, Superintendent
Aitkin Public School District, ISD 1



Pat Rendle, Superintendent
Deer River Schools, ISD 317



Jamie Wendt, Superintendent
Littlefork-Big Falls, ISD 362



Max Torgerson, Superintendent
Hill City Public School, ISD 2

/s/

Beth Shermoen, Superintendent
International Falls, ISD 361