11A.16 PERMANENT SCHOOL FUND.

Subdivision 1. **Establishment.** Pursuant to article XI, section 8, of the Constitution of the state of Minnesota, there is hereby established a permanent school fund which shall be a continuation of the permanent school fund in existence on January 1, 1980.

Subd. 2. **Assets.** The permanent school fund shall consist of the proceeds derived from the school lands, the swamp lands and the internal improvement lands granted to the state and all cash and investments credited to the permanent school fund, to the swamp land fund and to the internal improvement land fund.

Subd. 3. **Management.** The permanent school fund shall be managed by the commissioner of management and budget.

Subd. 4. **Investment.** The permanent school fund shall be invested by the state board subject to the provisions of section 11A.24.

Subd. 5. **Calculation of distributable amount.** (a) The state board shall calculate the distributable amount of the permanent school fund. The distributable amount shall equal 4.5 percent of the average net asset value of the permanent school fund as of the end of the preceding three fiscal years.

(b) The director shall report by August 15 the distributable amount to the Legislative Permanent School Fund Commission established in section 127A.30 and the commissioner of education.

[See Note.]

Subd. 6. **Disposition of distributable amount.** The commissioner of management and budget shall transfer the distributable amount of the permanent school fund as calculated pursuant to subdivision 5 to the school endowment fund as needed for payments made pursuant to section 127A.32.

[See Note.]

History: *1980 c 607 art 14 s 14; 1984 c 482 s 3; 1992 c 539 s 2; 1999 c 86 art 1 s 3; 2009 c 101 art 2 s 109; 1Sp2011 c 11 art 1 s 1; 2026 c 114 s 3,4*

NOTE: The amendments to subdivisions 5 and 6 by Laws 2026, chapter 114, sections 3 and 4, are effective July 1, 2027, for aid payable in fiscal year 2028 if the constitutional amendment proposed in Laws 2026, chapter 114, section 1, is adopted by the voters. Laws 2026, chapter 114, section 6.