

Legislative Analysis



LEGISLATIVE NOTICE OF MDE MANUAL UPDATES

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House Bill 5686 as enrolled
Sponsor: Rep. Pamela Hornberger
House Committee: Education
Senate Committee: Education and Career Readiness
Complete to 8-4-22

Analysis available at
<http://www.legislature.mi.gov>

(Vetoed by the Governor 7-1-22)

SUMMARY:

House Bill 5686 would amend the State School Aid Act to require that changes to the pupil accounting manual (PAM) and pupil membership auditing manual (PMAM) of the Michigan Department of Education (MDE) be transmitted to the chairs of the House and Senate committees on education policy before the changes take effect. In addition, under the bill, an amendment made to either manual could not take effect during the school fiscal year in which the change was made unless the change is necessary to effectuate a change in law that takes effect during that school fiscal year.

Currently, updates to the PAM must be made before March 31 if they are to take effect in the subsequent school year. If legislation is enacted that necessitates adjustments to the PAM after the March 31 cutoff and a district incurs a violation of the amended PAM, MDE must notify the district of the violation and give the district 30 days to correct the violation before imposing financial penalties. The bill would remove these provisions.

MCL 388.1618

BACKGROUND:

Currently, the PAM¹ includes the following language:

This manual is a living document subject to changes based on revisions to current statutes, including the State School Aid Act and the Revised School Code; Attorney General opinions; and clarifications of current Department guidance and policy.

Similarly, the PMAM² states the following:

Pursuant to §18(4)(d) and §18(8) of the State School Aid Act, the Michigan Department of Education (department) approves, publishes, annually reviews, and periodically updates this Pupil Membership Auditing Manual (PMAM) and the Pupil Accounting Manual (PAM). MCL 388.1618(d) and 388.1618(8).

¹ https://www.michigan.gov/documents/mde/2021_22_Pupil_Accounting_Manual_735936_7.pdf

² https://www.michigan.gov/documents/mde/PMAM_2021-2022_ADA_737602_7.pdf

FISCAL IMPACT:

The bill would have no fiscal impact on the state or on school districts, intermediate school districts (ISDs), or public school academies (PSAs, or charter schools).

Vetoed 7-1-22:

In her veto message, Governor Whitmer stated that House Bill 5686, by extending and complicating the process of publishing changes to the PAM, would limit state-level administrators' ability to advise local administrators and keep up with changing circumstances.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.