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House Bill 5686 (Substitute H-1 as passed by the House)  
Sponsor: Representative Pamela Hornberger  
House Committee: Education  
Senate Committee: Education and Career Readiness

Date Completed: 5-10-22

### **CONTENT**

**The bill would amend the State School Aid Act to modify provisions pertaining to changes to the Department of Education's pupil accounting and pupil auditing manuals to require the Department to notify the Legislature before any changes took effect.**

The Act requires the Department to review its pupil accounting and pupil auditing manuals at least annually and periodically update the manuals to reflect changes in Article 1 (State Aid to Public Schools, Early Childhood, and Adult Education) of the Act.

Any changes to the pupil accounting manual that are applicable for the school year that begins after March 31 of a fiscal year must be published by March 31 of that fiscal year. However, if legislation is enacted that necessitates adjustments to the pupil accounting manual after March 31 of a fiscal year, and a district incurs a violation of the amended pupil accounting manual in the subsequent fiscal year, the Department must notify the district of that violation and allow the district 30 days to correct the violation before the Department may impose financial penalties under the Act related to the violation. The bill would delete these provisions.

Instead, under the bill, any changes to the Department's pupil accounting and pupil auditing manual would have to be transmitted to the chairs of the Senate and House of Representatives committees responsible for education legislation before the changes took effect. A change to the pupil accounting or pupil auditing manual could not take effect during the school fiscal year in which the change was made.

MCL 388.1618

Legislative Analyst: Eleni Lionas

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Ryan Bergan

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.