

# Legislative Analysis



## LEGISLATIVE NOTICE OF MDE MANUAL UPDATES

Phone: (517) 373-8080  
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**House Bill 5686 (H-1) as reported from committee**  
**Sponsor: Rep. Pamela Hornberger**  
**Committee: Education**  
**Complete to 2-22-22**

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

### 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.

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 PAM<sup>1</sup> 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 PMAM<sup>2</sup> 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).

### 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).

<sup>1</sup> [https://www.michigan.gov/documents/mde/2021\\_22\\_Pupil\\_Accounting\\_Manual\\_735936\\_7.pdf](https://www.michigan.gov/documents/mde/2021_22_Pupil_Accounting_Manual_735936_7.pdf)

<sup>2</sup> [https://www.michigan.gov/documents/mde/PMAM\\_2021-2022\\_ADA\\_737602\\_7.pdf](https://www.michigan.gov/documents/mde/PMAM_2021-2022_ADA_737602_7.pdf)

## POSITIONS:

Representatives of the following entities testified in support of the bill (2-1-22):

- Michigan Great Lakes Virtual Academy
- Berrien Springs Public Schools
- Michigan Connections Academy

The following entities indicated support for the bill (2-1-22):

- Lighthouse Connections Academy
- MAPSA: Michigan's Charter Schools Association
- Great Lakes Education Project
- Next Level Management

The Michigan Department of Education indicated opposition to the bill. (2-1-22)

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