

**Michigan Office of Administrative Hearings and Rules**  
**Administrative Rules Division (ARD)**

MOAHR-Rules@michigan.gov

**REQUEST FOR RULEMAKING (RFR)**

**1. Department:**

Insurance and Financial Services

**2. Bureau:**

Financial Institutions

**3. Promulgation type:**

Full Process

**4. Title of proposed rule set:**

Debt Management

**5. Rule numbers or rule set range of numbers:**

R 451.1221 – R 451.1246

**6. Estimated time frame:**

6 months

**Name of person filling out RFR:**

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**7. Describe the general purpose of these rules, including any problems the changes are intended to address.**

This existing rule set, R 451.1221 to R 451.1246, implements and enforces the Debt Management Act (“DMA”), MCL 451.411 to 451.437. The proposed rules would add clarity to firms regulated under the DMA and existing rules by: (1) requiring books and records to be kept current on a monthly basis; (2) updating references to a firm’s “manual” under R 451.1237; (3) clarifying requirements for the licensee’s budget analysis of the debtor; and (4) making other clarifying changes to the regulatory requirements under the DMA.

**8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).**

These rules are promulgated under authority conferred on the director of the Department of Insurance and Financial Services (“DIFS”) by MCL 451.432 and 451.415(5).

**A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).**

MCL 451.432; MCL 451.415(5).

**B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.**

No, the statutory authority for these rules is permissive.

**9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.**

Licensees under the DMA are governed primarily by state law. These rules do not conflict with or duplicate similar regulations, compliance requirements or other standards adopted at the state, regional, or federal level.

**10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?**

DIFS has issued a bulletin regarding the DMA, 2015-16-CF, relating to the scope of the act and implementation of the counselor certification requirements during the transition period. DIFS also issued a memorandum to the industry regarding the elimination of the examination requirement that is dated February 10, 2015 (found here: [https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Misc/DM\\_Act\\_Memo.pdf?rev=f33c8ca090f44f1d8bd32821e9a7a766&hash=8F8A31E14B61227A2D9D6622C052A2CC](https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Misc/DM_Act_Memo.pdf?rev=f33c8ca090f44f1d8bd32821e9a7a766&hash=8F8A31E14B61227A2D9D6622C052A2CC)).

The schedule of fees for licensure is found here: [https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Fee\\_Schedule/Debt\\_Management.pdf?rev=0673e628950148f6b6eb9ec187df221f&hash=8D5C1E10527A04508813F7703C0E1194](https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Fee_Schedule/Debt_Management.pdf?rev=0673e628950148f6b6eb9ec187df221f&hash=8D5C1E10527A04508813F7703C0E1194).

The application for licensees under the DMA is found here: [https://www.michigan.gov/difs/-/media/Project/Websites/difs/Form/CF/DM/FIS\\_0506\\_ALL.pdf?rev=8c443edd8488454b905f2c6e5d98a7e4&hash=C24A777F8C1EE107DA22E33F083B8EFE](https://www.michigan.gov/difs/-/media/Project/Websites/difs/Form/CF/DM/FIS_0506_ALL.pdf?rev=8c443edd8488454b905f2c6e5d98a7e4&hash=C24A777F8C1EE107DA22E33F083B8EFE).

Within that application are links to the surety bond requirements described in the rules; a form indicating compliance with that requirement is here: [https://www.michigan.gov/-/media/Project/Websites/difs/Form/CF/DM/FIS\\_0508.pdf?rev=47994b4da9224595a021e90013e28056](https://www.michigan.gov/-/media/Project/Websites/difs/Form/CF/DM/FIS_0508.pdf?rev=47994b4da9224595a021e90013e28056).

A debt management license renewal checklist is found here: [https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Renewal\\_Checklist/Debt\\_Management.pdf?rev=7255881b70f749219c848af98791492d&hash=8F06D9E5F1B9026477A3220FCF73182B](https://www.michigan.gov/difs/-/media/Project/Websites/difs/CF/Renewal_Checklist/Debt_Management.pdf?rev=7255881b70f749219c848af98791492d&hash=8F06D9E5F1B9026477A3220FCF73182B).

The application for the submission of a counselor certification program for DIFS approval is available here: [https://www.michigan.gov/difs/-/media/Project/Websites/difs/Form/CF/DM/FIS\\_2303.pdf?rev=7d59949fb784481287e6655790b44fcb&hash=31EDB3A7E9C9C8BC9CDB8AD58BCD78CE](https://www.michigan.gov/difs/-/media/Project/Websites/difs/Form/CF/DM/FIS_2303.pdf?rev=7d59949fb784481287e6655790b44fcb&hash=31EDB3A7E9C9C8BC9CDB8AD58BCD78CE).

A list of approved debt management counselor certification providers is provided here: <https://www.michigan.gov/difs/industry/licensing-cf/debt-mgt/counselor-cert-program/approved-debt-management-counselor-certification-providers>.

Responses to frequently asked questions regarding the DMA are provided here: <https://www.michigan.gov/difs/news-and-outreach/faq/consumer-finance/debt-management>.

**11. Are the rules listed on the department's annual regulatory plan as rules to be processed for the current year?**

The rules are listed on the annual regulatory plan as rules to be processed between July 1, 2023, and June 30, 2024.

**12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?**

Full Process

**13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.**

The rules do not exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level. The rule amendments will clarify existing requirements in the rules.

**14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.**

No.

**15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.**

The most recent amendments to the rules became effective on September 3, 2020. Technology, economic conditions, or other factors have not changed the regulatory activity covered by the rules since the most recent amendments.

**16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?**

There are no changes or developments since implementation that demonstrate that there is no continued need for the rules or any portion of the rules.

**17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.**

No

**Based on the information provided in this RFR, MOAHR concludes that there are sufficient policy and legal bases for approving the RFR. The RFR satisfies the requirements of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and Executive Order No. 2019-6.**