



STATE OF MICHIGAN  
JOCELYN BENSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

July 1, 2024

**NOTICE OF FILING**

**ADMINISTRATIVE RULES**

To: Secretary of the Senate  
Clerk of the House of Representatives  
Joint Committee on Administrative Rules  
Michigan Office of Administrative Hearings and Rules (Administrative Rule #23-044-IF)  
Legislative Service Bureau (Secretary of State Filing #24-07-01)  
Department of Insurance and Financial Services

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2023-044-IF (Secretary of State Filing #24-07-01) on this date at 12:11 P.M. for the Department of Insurance and Financial Services entitled, "Debt Management".

These rules become effective immediately upon filing with the Secretary of State unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely,

Jocelyn Benson  
Secretary of State

Lashana Threlkeld, Departmental Supervisor  
Office of the Great Seal

Enclosure



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
DIRECTOR

July 1, 2024

The Honorable Jocelyn Benson  
Secretary of State  
Office of the Great Seal  
Richard H. Austin Building – 1<sup>st</sup> Floor  
430 W. Allegan  
Lansing, MI 48909

Dear Secretary Benson:

Re: Administrative Rules – Michigan Office of Administrative Hearings and Rules  
Administrative Rules #: 2023-44 IF

The Michigan Office of Administrative Hearings and Rules received administrative rules, dated February 15, 2024 for the Department of Insurance and Financial Services **“Debt Management”**. We are transmitting these rules to you pursuant to the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6.

Sincerely,

Michigan Office of Administrative Hearings and Rules



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES  
LANSING

ANITA G. FOX  
DIRECTOR

**CERTIFICATE OF ADOPTION**

**2023-44 IF**

**DEBT MANAGEMENT**

Pursuant to the authority conferred on the Director of the Department of Insurance and Financial Services by sections 5(5) and 22 of the debt management act, 1975 PA 148, MCL 451.415(5) and 451.432, the Director of the Department of Insurance and Financial Services formally adopts:

R 451.1227, R 451.1237, and R 451.1239 of the Michigan Administrative Code are amended.

Date: May 14, 2024

Adopted By: \_\_\_\_\_

  
Anita G. Fox, Director



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
DIRECTOR

## **LEGAL CERTIFICATION OF RULES**

I certify that I have examined the attached administrative rules, dated February 15, 2024, in which the Department of Insurance and Financial Services proposes to modify a portion of the Michigan Administrative Code entitled "Debt Management" by:


- ◆ Amending R 451.1227, R 451.1237, and R 451.1239.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2019-6. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: April 30, 2024

Michigan Office of Administrative Hearings and Rules


By:   
Ashlee N. Lynn,  
Attorney

CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the proposed rules of the Department of Insurance and Financial Services dated February 15, 2024, amending R 451.1227, R 451.1237, and R 451.1239 of the Department's rules entitled "Debt Management." I approve the rules as to form, classification, and arrangement.

Dated: April 30, 2024

LEGISLATIVE SERVICE BUREAU

By   
Rachel M. Hughart,  
Legal Counsel

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

DEBT MANAGEMENT

Filed with the secretary of state on July 1, 2024

These rules become effective immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the director of the department of insurance and financial services by section 22 of the debt management act, 1975 PA 148, MCL 451.432)

R 451.1227, R 451.1237, and R 451.1239 of the Michigan Administrative Code are amended, as follows:

R 451.1227 Books and records.

Rule 7. The firm shall make and keep current the following books and records relating to its business:

(a) Journals or other records of original entry containing an itemized daily record of all payments and receipts for, or on behalf of, debtors of the firm, all receipts and disbursements of cash, and all other debits and credits.

(b) Ledgers or other records reflecting all assets, liabilities, income, expense, and capital accounts. The books and records included in this subdivision are not current unless the firm updates and posts to the books and records at least monthly.

(c) Ledger accounts or other records, itemizing separately as to each debtor all receipts from the debtor, payments to the firm, and disbursements on behalf of the debtor, the creditor's representative contacted, the response obtained or whether there has been a response within 14 days after the mailing of the creditor consent form, any revised or special conditions or arrangements conditioning the consent, and the date the required consents were secured.

(d) A complaint file containing copies of all written complaints made to the firm by debtors.

(e) Personnel files for all employees, listing the employee's name, current home address, home phone number, social security number, and a record of all compensation.

R 451.1237 Procedures; review.

Rule 17. (1) Each firm shall prepare and maintain written policies and procedures for compliance with the act.

(2) Each firm shall provide each certified counselor of the firm with the written policies and procedures.

R 451.1239 Budget analysis.

Rule 19. (1) A copy of the budget analysis required under section 12 of the act, MCL 451.422, must be retained in the debtor's file for a period of 6 years after the last transaction.

(2) The budget analysis must be signed by a certified counselor of the firm who participated in the preparation of the analysis.

(3) The budget analysis must identify the type and amount of each debtor's obligation by providing an adequate general description. Adequate general descriptions include "credit card," "unsecured loan," "vehicle loan," "mortgage loan," or other terms similarly identifying the type of debtor's obligation. The terms "other," "miscellaneous," or "generic" are not adequate general descriptions.

FILED WITH SECRETARY OF STATE

ON 7/1/24 AT 12:11 P.M.