

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.