

**DEBT MANAGEMENT ACT (EXCERPT)**  
**Act 148 of 1975**

**451.423 Initial fee; consent of creditor; presumption.**

Sec. 13. (1) When a licensee establishes a debt management plan for a debtor, the licensee may charge and receive an initial fee of \$50.00.

(2) A licensee shall attempt to obtain consent to participate in a debt management plan from at least 51%, in number or dollar amount, of the debtor's creditors within 90 days after establishing the debt management plan. If the required consent is not actually received by the licensee, the licensee shall provide notice to the debtor of the lack of required consent and the debtor may, at its option, close the account. If the debtor decides to close the account, any unexpended funds shall be returned to the debtor or disbursed as directed by the debtor.

(3) For purposes of subsection (2), a licensee may seek the consent of a creditor to participate in a debt management plan by sending a notice of a debt management plan to the creditor by an appropriate means including by telephone, facsimile, electronic means, or first-class mail. If the creditor does not respond within 14 days after the notice is sent, the licensee may presume that the creditor has given consent. However, this subsection does not require that a licensee send notice of a debt management plan to all of a debtor's creditors.

(4) If a payment under the debt management plan is sent to the creditor, the licensee may presume acceptance of the payment and plan by the creditor 7 days after sending the payment. As an alternative to sending notice under subsection (3), a licensee may seek the consent of a creditor for purposes of subsection (2) by sending a payment to the creditor under the terms of the debt management plan.

**History:** 1975, Act 148, Eff. Mar. 31, 1976;—Am. 2000, Act 255, Imd. Eff. June 29, 2000;—Am. 2014, Act 362, Eff. Mar. 16, 2015.

**Compiler's note:** For transfer of statutory authority, powers, duties, and functions of the corporations, securities and land development bureau to the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled MCL 445.2003 of the Michigan compiled laws.