

DEBT MANAGEMENT ACT (EXCERPT)
Act 148 of 1975

451.433 Cease and desist order; statement; misdemeanor; powers of department; court order; self-incrimination; injunction or restraining order; criminal proceedings.

Sec. 23.

(1) When it appears to the department, either upon complaint or otherwise, that this act, or a rule promulgated under this act, has or is about to be violated, it may, in its discretion, either issue a cease and desist order or require the person to file with it a statement in writing, under oath, or otherwise, as to all the facts and circumstances concerning the subject matter which it believes to be in the public interest to investigate and may investigate those facts, and where appropriate, with or without the request for information, issue a cease and desist order.

(2) A person who knowingly authorizes, directs, or aids in violation of a final cease and desist order, or who knowingly fails to comply with the terms of a final cease and desist order, is guilty of a misdemeanor, and may be fined not more than \$5,000.00, or imprisoned for not more than 6 months, or both. Each violation constitutes a separate offense.

(3) The department in its discretion may:

(a) Make public or private investigations within or without this state as it deems necessary to determine if a person has violated or is about to violate this act or any rule or order promulgated hereunder or to aid in the enforcement of this act or in the prescribing of rules and forms hereunder, and publish information concerning the violation of this act or any rule or order.

(b) Require or permit any person to file a statement under oath or otherwise subject to the penalties of perjury as the department requires in writing as to all the facts and circumstances concerning the matter to be investigated. Failure to file the statement with all required information within 15 days after receipt of a departmental letter requesting it shall be the basis for issuance of a cease and desist order.

(4) For the purpose of an investigation or proceeding under this act, the department or any officer designated by it may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records which the department deems relevant or material to the inquiry.

(5) In case of contumacy by, or refusal to obey a subpoena issued to a person, the circuit court, upon application by the department, may issue to the person an order requiring him to appear before the department, or an officer designated by it, to produce documentary evidence, if so ordered, or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt.

(6) A person is not excused from attending and testifying or from producing a document or record before the department, or in obedience to the subpoena of the department or an officer designated by it or in a proceeding instituted by the department on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to penalty or forfeiture. A person may not be prosecuted or subjected to a penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after validly claiming his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that the person testifying is not exempt from prosecution and punishment for perjury or contempt committed in testifying.

(7) When it appears to the department that a person is engaged or about to engage in an act or practice which constitutes or will constitute a violation of this act, or a rule promulgated under this act, it may in its discretion, bring an action in the circuit court for Ingham county or another circuit court to enjoin the act or practice and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The department may transmit evidence as may be available concerning the act or practice to the attorney general or a local prosecutor who may, in his discretion, institute the necessary criminal proceedings.

History: 1975, Act 148, Eff. Mar. 31, 1976

Compiler's Notes: 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 at MCL 445.2003 of the Michigan compiled laws.