

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

MJM

~~AHK~~ MJM 11-6-92

RULE REVIEW CHECKLIST

File No. 1965
DATE RECEIVED 12-3-92
REVIEW DATE 11-12-92
DUE DATE 11-17-92
~~(DIS)~~APPROVED Nov 13, 1992
WITHDRAWN _____

Docket No. 05 0009 0770
ADOPTED W/O HEARING _____
EMERGENCY RULE _____
TO REVISOR ON 11-6-92
REVISOR (DIS)APPROVED 11-9-92
FILED W/SEC. OF STATE 11-13-92
RETURNED TO AGENCY 11-13-92

✓ Rule as adopted (4 copies)

_____ Notice to Solicit Outside Information/Opinion (if applicable)
_____ Date published in State Register
_____ Comments

_____ Petition for Adoption of a Rule

_____ Board's Authorizing Resolution
_____ Date adopted

✓ Proposed Rule
✓ Revisor's Certificate

✓ Notice of Intent to Adopt Rule
325B.415 subd 2 Statutory Authority
_____ Small Business Statement
_____ Expenditure of public money statement
August 18, 1992 Signature

✓ Statement of Need and Reasonableness (if applicable)
✓ Small Business Statement
_____ Fees - § 16A.128

✓ Affidavit of Mailing Notice of Intent to Adopt Rule
August 28, 1992 Dated 30/25 days before adoption
✓ Notice attached indicates it is attached
_____ Copy of rule or summary attached

✓ Publication in State Register
August 31, 1992 Date 30/25 days before adoption

✓ 180-day deadline from:
✓ Effective date of law requiring rule (14.12) (both rules) amendments don't apply
✓ end of comment period (§ 14.26) (rules without hearing)
_____ effective date of statutory authority (§ 14.29) (emergency rules)

66597
783-8221

_____ Resolution Adopting
_____ Date adopted

✓ Findings of Fact, Conclusions & Order Adopting
November 3, 1992 Date

✓ Written Requests, Submissions or Comments

✓ Declaration of Attorney
Amy Kalvesth Name of SAAG representing agency

November 3, 1992 Notice of Submission to Attorney General (if applicable)

November 3, 1992 Affidavit of Mailing Notice to Attorney General (if applicable)

STATE OF MINNESOTA

Office of the Attorney General

TO : JERRY ENGEBRETSON
303 Administration Building
50 Sherburne Avenue
St. Paul

DATE : November 13, 1992

FROM : MARY JO MURRAY
Special Assistant
Attorney General

PHONE : 296-3258

SUBJECT : In the Matter of the Adopted Rule Relating to Credit Card Disclosure Reports

The above-referenced rule has been approved as to its legality by the Attorney General on November 13, 1992.

Enclosed is your copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submissions or comments along with any extra copies of documents which you submitted to the Attorney General.

Your next step is to arrange for publication of the Notice of Adoption in the State Register. In a day or two, you should receive from the Revisor's Office three copies of the notice of adoption of your rule. You should submit two copies of the Notice of Adoption to the State Register for publication. A permanent rule without a hearing does not become effective until five days after a notice of adoption is published in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

Enclosures
cc: Amy V. Kvalseth
William Brown, Chief Judge
MaryAnn Hruby

MJM:jj.rules.bd3

Office of the State Treasurer

Adopted Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Adopted

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

Approved by Revisor

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates <u>charged to Minnesotans</u>. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction; that is, the grace period. (For example, "25 days after statement closing date").
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative — Date

MAIL FORM TO: **Office of the State Treasurer**
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____

APPROVED AS TO FORM AND LEGALITY

Nov 13 19 92

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

BY _____
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

NOV 13 1992

Joan Anderson Growe
Secretary of State

11:44a
RC

Stat Author) 3256.415

A creditor who distributes a credit card application in this state after effective date of this section must file with the state treasurer a written report containing the disclosures required or allowed by sections 3256.42 and 3256.46. This report must be filed annually on December 31.

The State treasurer shall adopt rules governing: (1) the form and content of reports to be filed under subdivision 1; and (2) public access to the information to be filed.

Section 1 is effective July 31, 1992

STATE OF MINNESOTA
OFFICE OF THE STATE TREASURER

303 State Administration Building
50 Sherburne Avenue
Saint Paul, Minnesota 55155

MICHAEL A. McGRATH
Treasurer

(612) 296-7091
Fax (612) 296-8615

RECEIVED

NOV 3 1992

Office of the Attorney General
Government Services Section
Capitol Office Bldg. - Suite 500
525 Park Street
St Paul, MN 5510-

November 3, 1992

Ms. Patricia Nolte
Office of the Attorney General
State of Minnesota
525 Park Street
St. Paul, Minnesota 55103

Re: Review and Approval pursuant to M.S. 14.26:
Rule Adopted without a Public Hearing
Relating to Credit Card Reports

Dear Ms. Nolte:

Enclosed herein for your review and approval relative to the above matter, please find the following documents:

1. Copy of the **Notice of Solicitation of Outside Information or Opinions,** dated June 5, 1992, and as published in the State Register on June 15, 1992;

2. Copy of the **Proposed Permanent Rules Relating to Credit Card Reports;**

3. **Certificate of Approval as to Form** by the Revisor of Statutes;

4. **Notice of Intent to Adopt a Rule Without a Public Hearing,** as mailed on August 28, 1992, to all persons and groups whose names appeared on the Rulemaking Mailing List of the Office of the State Treasurer;

5. The **Statement of Need and Reasonableness;**

6. The **Affidavit of Mailing the Notice of Intent to Adopt a Rule Without a Public Hearing and Certificate of Mailing List;**

7. Copy of the **Notice of Intent to Adopt a Rule Without a Public Hearing,** as published in the State Register;

8. Four copies of the **Rules Relating to Credit Card Reports,** as adopted; (including approval as to form by the Revisor of Statutes of the modification to the Proposed Rules);

9. The **Findings of Facts, Conclusions, and Order Adopting the Rule;**

10. All written requests, submissions, or comments on the Rules received by the Office of the State Treasurer (not including requests solely for copies of the Rules or for copies of the Statement of Need and Reasonableness;

11. The **Declaration of Counsel,** executed by Amy Kvalseth, the attorney in the Attorney General's Office who represents the Office of the State Treasurer in this matter;

12. The **Notice of Submission of Rule to the Attorney General**

13. The **Affidavit of Mailing Notice of Submission of Rule to the Attorney General,** if applicable.

Please take all necessary action for the adoption of said Rules. Thank you for your cooperation.

Sincerely,

Michael A. McGrath
Treasurer
State of Minnesota

MAM/cj

Encl.

Office of the State Treasurer
State of Minnesota

Notice of Solicitation of Outside Information or Opinions Regarding Proposed Rule Governing Credit Card Disclosure Reports

Notice is hereby given that the Office of the State Treasurer, State of Minnesota, is seeking information or opinions from sources outside the agency in preparing to propose the adoption of the rule governing Credit Card Disclosure Reports. The adoption of the rule is authorized by Minnesota Statutes, section 325G.415, which requires the State Treasurer to adopt rules governing: (1) the form and content of reports to be filed under subdivision 1 of section 325G.415; and (2) public access to the information filed; and which permits the State Treasurer to adopt other rules as necessary to administer subdivision 1 of section 325G.415. The effective date of Minnesota Statutes, section 325G.415, is July 31, 1992.

The Office of the State Treasurer, State of Minnesota, requests information and opinions concerning the subject matter of the rule. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to: **Jerry Engebretson, 303 Administration Building, 50 Sherburne Avenue, St. Paul, Minnesota 55155.** Oral statements will be received during regular business hours over the telephone at **(612) 296-7091** and in person at the above address.

All statements of information and opinions shall be accepted until **July 15, 1992.** Any written material received by the Office of the State Treasurer, State of Minnesota, shall become part of the rulemaking record to be submitted to the Attorney General or administrative law judge in the event that the rule is adopted.

June 5, 1992
Date

Michael A. McGrath

Treasurer, State of Minnesota

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULE WITHOUT A PUBLIC HEARING

(1) Notice of the State Treasurer's intent to adopt the above-entitled rule was published in the State Register on August 31, 1992, and was sent by United States mail to all persons on the list maintained by the Office of the State Treasurer pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on August 28, 1992. (2) The Statement of Need and Reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

(4) All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. (5) No requests for a public hearing on the rule were received by the Office of the State Treasurer.

A written comment was received from a representative of CUNA Service Group, Inc., and an oral comment was received from a representative of the Minnesota Retail Merchants Association.

One request for notice of submission to the attorney general was received by the State Treasurer from:

Ms. Patricia A. Torkildson
Vice President and Associate General Counsel
CUNA Service Group, Inc.
Box 431
Madison, Wisconsin 53701-0431.

(6) Based upon the comments and evidence in the record before the State Treasurer, I find the following:

1. That the paragraph at D. of the INSTRUCTIONS of the Report Form, found in Subpart 3, Proposed Rule 9700.0200, be amended to read as follows:

   "Give specific dollar amounts or percentage rates charged to Minnesotans. Do not use ranges."

2. That the paragraph following the sixth set of blank lines at Item Number 9 of the Report Form, found in Subpart 3, Proposed Rule 9700.0200, be amended to read as follows:

"The date or occasion upon which the finance charge, if any, begins to accrue on the transaction; that is, the grace period. (For example, "25 days after statement closing date.")."

3. That these changes to the Proposed Rules are not substantial changes.

   a. The changes did not affect classes of persons who could not reasonably have been expected to comment on the proposed rule as originally noticed. In fact, the changes are in response to comments made.

   b. Significant new subject matter has not been introduced.

   Both changes are for the benefit of the creditor by clarifying what information is being requested. The change in the Instructions clearly limits the request to Minnesotans; this limitation is consistent with Minnesota Statutes, section 325G.415. The change in Item Number 9 of the Report Form provides a commonly used phrase, "grace period", to identify the content of the question. The phrase neither expands nor contracts the information requested. The example in said Item Number 9 makes it clear that a specific date is not required. Rather, a reference point which can be calculated is sufficient.

4. (8) The above-captioned rule, as modified, is needed and reasonable.

NOW, THEREFORE, IT IS ORDERED that the rule identified as Rules Relating to Credit Card Disclosure Reports, as modified, is adopted this 3rd day of November, 1992, pursuant to authority vested in me by Minnesota Statutes, section 325G.415, subdivision 2.

(9)

Michael A. McGrath
Treasurer
State of Minnesota

CUNA Service Group, Inc.
An Affiliate of Credit Union National Association, Inc.
Box 431, Madison, WI 53701-0431, 608-231-4000

September 17, 1992

Jerry Engebretson
303 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155

RE: Credit Card Disclosure Reports

Dear Mr. Engebretson:

I have reviewed the proposed Minnesota Credit Card Disclosure Report Form and have a few comments. The new proposal is a substantial improvement over the original proposal; however, there are a few areas for which clarification is needed. Under Section 9, the creditor is supposed to disclose "the date or occasion upon which the finance charge, if any, begins to accrue on the transaction." I assume this means to disclose the free ride (grace) period, if any. It would be helpful to know if a disclosure such as "25 days after statement closing date" would be sufficient. Are there going to be any instructions for completing the forms that could give some examples for making the disclosures? The space provided certainly is not sufficient to disclose a grace period unless all that would have to be disclosed is "25 days."

The last disclosure in Section 9 is the "amount of any fees charged other than those listed above." It is unclear whether you want both the fee and the type, for example: late charge-$5.00, over-limit fee-$10.00, replacement card-$5.00. Many lenders have several fees so it would be helpful for the area to have a few more blank lines.

I would like to know when the rule is adopted. Please let me know when the rule is submitted to the Attorney General.

Sincerely yours,

Patricia A Torkildson

Patricia A. Torkildson
Vice President and
Associate General Counsel

/vk

THE VOICE OF RETAILING IN MINNESOTA
SINCE 1952

Minnesota Retail Merchants Association

Mears Park Place, 405 Sibley Street, Suite 150, St. Paul, MN 55101
(612) 227-6631 • In Minnesota 800-652-9773

July 16, 1992

Mr. Jerry Engebretson
Office of the State Treasurer
303 State Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

Dear Jerry:

Thank you for taking the time to meet with me yesterday regarding MRMA's concerns on the language for proposed rules governing Credit Card Disclosure Reports. We are looking forward to working with you as the rulemaking and implementation of this statute continues.

As we discussed, our primary concern centers on the scope of credit grantors that are required to file a report. The way the rules are drafted, it appears that any open-end credit grantor would have to file, including independent main street retailers such as hardware or drug stores who offer credit programs. We hope that through rulemaking, you will be able to better define and limit the scope of credit grantors that must file the report. If the goal is to inform consumers on how to make wise credit decisions and provide them with the tools to do so, including every independent retailer would not be of any assistance and would only place an additional administrative burden on many small businesses throughout the state. Please let me know if we can be of assistance to you as you try to develop appropriate definitions.

It is also appears that a merchant who simply displays credit card program applications, but has no connection with the issuer, would also have to file. We hope that the rules can be clarified so that this is not covered.

Another concern is clarifying the definition of "issuer." As we discussed, there are a multitude of variations in offering open end credit. We hope that you can better define who is the issuer for purposes of reporting so that the "issuer" is the entity that owns the receivables. Even this is complicated and we offer our assistance in developing definitions in this area as well.

Finally, we encourage you to include information in the final report that explains to the consumer the "actual costs of credit" and how to make wise credit decisions based on the information that is provided. For your information, I have enclosed some information that may be useful to you in that regard.

We look forward to hearing from you and working with you in the development of the rules and reporting form.

Sincerely,

Judy

Judy E. Cook
President

Susan Barnes
Counsel

NORWEST CARD SERVICES

Norwest Card Services
Regency 4, Suite 200
4700 Westown Parkway
Des Moines, Iowa 50265
Bus: 515/226-3850
Fax: 515/226-3701

Jerry Engebretson
Office of the State Treasurer
303 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155

RE: Proposed rule making; Minnesota Statutes, section 325G.415

Dear Mr. Engebretson:

1 Thank you for the opportunity to comment on the rules your office has proposed for implementation of the legislation concerning credit card disclosure reporting.

2 As we discussed during our telephone conversation, I have two comments which you requested be put into written form and thus made a part of the record in your rule making proceedings.

3 First, the proposed disclosure form contemplates that organizations which do not issue their own credit cards must complete Section A of the form only. As I read the statute, however, the term "creditor" is limited to any "credit card issuer." If, therefore, an organization merely offers a credit card product through an agency relationship with a separate organization who is the true issuer of the card, it seems to me that there is no statutory authority for requiring the former to file the disclosure statement. I would propose that each card issuer be responsible for filing a list of the organizations through which it offers credit cards in the state of Minnesota and that organizations who do not issue cards should not be required to return the disclosure form.

4 Second, the "Instructions" section of the form states that specific dollar amounts or percentages must be used and a "range" is not to be given. In some cases, the amount of a particular fee to be charged will depend on the state where the cardholder resides. If no range can be stated, my assumption would be that the amount of the fee charged to Minnesota residents is the only disclosure necessary to be stated on the form. This point should be clarified for the benefit of card issuers who do charge a range of fees depending on the residence of the cardholder.

Once final rules have been adopted, I would appreciate it if you would send a copy to my attention.

Again, thank you for your consideration.

Sincerely,

Susan Barnes
Counsel

cc: Tom Falck
Scott Ullom

MINNESOTA PETROLEUM MARKETERS ASSOCIATION

2345 RICE STREET • SUITE 173
ST. PAUL, MINNESOTA 55113
612/484-7227

OFFICERS
BOB KROGMAN
Executive Director
TONY YOCUM
President
STEVE GILBERTSON
Vice-President
BOB NOVAK
Treasurer
DWAYNE HOHN
Secretary

DIRECTORS
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Jim Petersburg
Dean Tonsfeldt
Derrill Holland
Howard Fremling
James Moores
Harley Eggen
Cy Dehn
Don Kisch
Vern Kelley
Lynn Dokkebakken
Steve Loge
Merlin Robinson
Keith Madson
Jerry Deetz
Bernard Feils
Ardell Vilandre
Ed Uhlich
Marlin Besler

July 13, 1992

Mr. Jerry Engebretson
Chief of Staff
303 State Administration Bldg.
50 Sherburne Avenue
St. Paul, MN 55155

Mr. Engebretson:

As per our phone conversation, the following are comments of the Minnesota Petroleum Marketers Association on the proposed rules relating to credit card disclosure reports.

The Minnesota Petroleum Marketers Association is a trade association of 800 petroleum product distributors throughout Minnesota. Our members own and operate service stations and convenience stores. They also deliver home heating oil and a variety of farm fuels and lubricants. All are independently owned small businesses or farm cooperatives.

COMMENTS:

1. Subpart 2 of 9700.0100 states in part:

> **"Credit Card Application" means... any written form, document, or material distributed by or on behalf of a creditor and designed to be used by a consumer to request or accept the issuance of a credit card.**

Does this sentence mean that any service station or convenience store which has MasterCard, Visa, Discover or major oil company credit card information and/or applications on the counter have to file a report? This information is made available simply for customer convenience. Requiring every service station or convenience store who makes this information available to file a form could mean that your office will receive upwards of 3500 forms from those locations which distribute material on behalf of a creditor.

2. The draft instructions for completing the form lines 46-50 state that:

   Organizations that offer open-end credit other than credit cards should complete the entire form for this type of credit. Open-end credit is defined as a credit transaction in which the borrower can obtain an advance from time to time pursuant to the credit agreement.

   Does this include residential heating oil vendors or farm fuels distributors who deliver more products prior to previous purchases being paid for? If so, that will entail 1000 or more forms on open-end credit from these businesses.

3. Many locally owned cooperatives issue cards utilized in 24 hour card lock operations. This card allows their customers to buy motor fuel at times other than normal business hours and pay for the fuel as billed. Would those operations have to file a form either as a credit card issuer or as an offerer of open-end credit? If so, this would generate an additional hundred or more forms into your office.

Thank you for taking the time to consider our comments, and we appreciate your willingness to respond to our questions.

Sincerely,

Bob Krogman
Executive Director

/ws

301 Commerce Street, Suite 600
Fort Worth, Texas 76102

P.O. Box 961020
Fort Worth, Texas 76161-0020

(817) 878-8000 Telex 203955

Pier 1 imports®

July 22, 1992

Jerry Engebretson
State Treasury Office
303 Administration Building
50 Sherburn St.
St. Paul, MN 55155

Re: License for Distributors of Credit Card Applications

Dear Mr. Engebretson:

Please send information concerning the new rulings on creditors distributing credit cards in the state of Minnesota to:

Pier 1 Imports
Credit Services Department
P.O. Box 961020
301 Commerce Street, Ste 600
Fort Worth, TX 76161

I appreciate any assistance you could give us in complying with new regulations.

Sincerely,

Glenda Eagle

Glenda Eagle

UNITED BANKERS' BANK

Suite 1500 Southpoint Center 1650 West 82nd St. Bloomington, MN 55431 (612)881-5800

July 14, 1992

Mr. Jerry R. Engebretson
Chief of Staff
State of Minnesota
50 Sherburene Avenue
Saint Paul, Minnesota 55155

Dear Mr. Engebretson:

You had requested public commentary on the new legislation requiring all credit card issuers issuing in the State of Minnesota to file a report on credit card disclosures no later than December 31, 1992 to be effective on January 1st. Our bank, United Bankers' Bank, offers a full range of correspondent banking services to community banks in Minnesota, North Dakota, South Dakota and Montana. We have, since 1988, offered a credit card program to community banks marketed under the label of "Opportunity Plus." In our review of the proposed implementation of state statute [325G.415], we found the proposed rules to be consistent with our reading of legislative intent although perhaps containing an inordinate amount of detail. This intent, as we understand, is simply to assist consumers in making better decisions on using credit cards as a payment system as well as a credit vehicle.

Two suggestions are offered to help in administering this regulation. First, is to make banks aware of the need to submit this report. Second, is to have some sort of consumer awareness program that alerts consumers to the information that is available.

We appreciate this opportunity to respond to the interpretative guidelines for this statute.

Sincerely,

Charles C. Hokans
Vice President

CCH/rm

cc: Bill Rosacker

CUNA Service Group, Inc.
An Affiliate of Credit Union National Association, Inc.
Box 431, Madison, WI 53701-0431, 608-231-4000

July 13, 1992

Jerry R. Engebretson
Chief of Staff
Office of the State Treasurer
State of Minnesota
303 State Administration Building
50 Sherburne Avenue
Saint Paul, Minnesota 55155

Re: Comments on Credit Card Reporting Form

Dear Mr. Engebretson:

1 CUNA Service Group, Inc., which is affiliated with Credit Union National Association, the national trade association for credit unions, provides credit card processing services for more than 2,000 credit unions throughout the country. A number of the credit unions for which CSG does processing will be affected by the recent Minnesota law requiring creditors distributing credit card applications in Minnesota to file a report annually with the State Treasurer. CSG appreciates this opportunity to comment on the proposed form that creditors will be required to file and the accompanying rules.

2 The new law applies to creditors that distribute credit card applications in Minnesota. The law defines creditor to include issuers that extend "either open-end credit or credit that is not subject to finance charge and is not payable in installments." This means the law covers both open-end credit cards and charge cards. [Charge cards are credit cards on which no finance charge is imposed and because no finance charge is imposed, they are not classified as open-end credit. (See 226.2(a)(15) and 226.2(a)(20) of Regulation Z).]

3 Although the law applies only to open-end loans that are credit cards, and not to other types of open-end loans, there are three places on the form that seem to indicate that reporting is necessary on all open-end loans. The first place is in the heading to Section B which indicates that it applies to "FEES AND CHARGES FOR CREDIT PURCHASES (OR OPEN-END CREDIT)" The other two places are in the Instructions. Lines 31-32 say "Use one form for each credit card or type of open end credit offered" and lines 46-50 state that "organizations that offer open-end credit other than credit cards should complete the entire form for this

type." Because the law does not cover open-end loans that are not credit cards, it would be more accurate for the heading to Section B to read "FEES AND CHARGES FOR PURCHASES WITH CHARGE CARDS AND OPEN-END CREDIT CARDS," and for the instructions to indicate that the form should be completed for each type of charge card or open-end credit card offered. It might be even better for the reference simply to be to "charge cards or credit cards." I'm not sure the reference to "open-end" credit cards really adds anything. What you want to be sure of is that the report applies to credit cards whether they are open-end or closed-end and that would be achieved by referring to "charge cards or credit cards."

4. Unless someone looks at the form very carefully before starting to fill it out, the person will not understand that the questions in Section B cover "purchases" and that Section C covers "cash advances." It would be better to reinforce that Section B applies to purchases by indicating in question 1 that the A.P.R. is for purchases, in question 5 that the transaction fee is for purchases, in question 9 that the grace period is for purchases and in questions 10 & 11 that the finance charge for purchases accrues from the date indicated. As an alternative, you could indicate in the instructions that there are separate sections covering purchases and cash advances.

5. The law applies only to creditors that distribute credit card applications. A creditor may distribute credit card application for another creditor. If this is the case, it appears that the creditor must complete section A. The statute clearly is not intended to cover all forms supplier that mail credit card application forms to creditors in Minnesota, however, a comment in the STATEMENT OF NEED AND REASONABLENESS implies that such companies may be required to complete Section A of the reporting form. Section 3 of the STATEMENT OF NEED AND REASONABLENESS states that "there will be instances when a business entity will be distributing credit card applications in Minnesota but are not 'creditors' within the meaning of the statue." If a business entity is not a creditor, it is not covered by the law and should not have to complete even Section A. The only entities that should be required to complete the form are creditors. This should be clarified in the STATEMENT.

If you have any questions about these comments, please feel free to call me. I can be reached at (608)231-4327.

Sincerely yours,

Pat Torkildson

Patricia A. Torkildson, Vice President &
Associate General Counsel

Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Permanent Rules Relating to Credit Card Disclosure Reports

AGENCY: Office of the State Treasurer

MINNESOTA RULES: Chapter 9700

The attached rules are approved for publication in the State Register

Paul M. Marinac

Paul M. Marinac
Deputy Revisor

Office of the State Treasurer

Proposed Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Proposed (all new material)

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

Approved by Revisor PMM/CA

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved
by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction.
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative — Date

MAIL FORM TO: **Office of the State Treasurer**
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved
by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____

STATE OF MINNESOTA
OFFICE OF THE STATE TREASURER

In the Matter of the Proposed Rules Governing Credit Card Disclosure Reports, Minn. Rules Parts 9700.0100 to 9700.0400.

STATEMENT OF NEED AND REASONABLENESS

I. INTRODUCTION

II. STATEMENT OF STATE TREASURER'S STATUTORY AUTHORITY

The statutory authority of the State Treasurer to adopt the rules is set forth in 1992 Minnesota Laws, Chapter 552, to be codified at Minnesota Statutes, Section 325G.415, subdivision 2, which provides:

> BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
>
> Section 1. (325G.415) CREDIT CARD DISCLOSURE REPORTS.
>
> Subdivision 1. FILING WITH STATE TREASURER. A creditor who distributes a credit card application in this state after the effective date of this section must file with the state treasurer a written report containing the disclosures required or allowed by sections 325G.42 and 325G.46. This report must be filed annually on December 31.
>
> Subd. 2. RULEMAKING. The state treasurer shall adopt rules governing: (1) the form and content of reports to be filed under subdivision 1; and (2) public access to the information filed.
>
> The state treasurer may adopt other rules as necessary to administer subdivision 1.
>
> Sec. 2. EFFECTIVE DATE.
> Section 1 is effective July 31, 1992.

Under this statute the State Treasurer has the necessary statutory authority to adopt the proposed rules.

III. STATEMENT OF NEED

Minnesota Statutes, Chapter 14 (1990), requires the State Treasurer to make an affirmative presentation of facts establishing the need for and reasonableness of the rules as proposed. In general terms, this means that the State Treasurer must set forth the reasons for its proposal, and the reasons must not be arbitrary or capricious. However, to the extent that need and reasonableness are separate, need has come to mean that a problem exists which requires administrative attention, and

reasonableness means that the solution proposed by the State Treasurer is appropriate. The need for the rules is discussed below.

1992 Minnesota Laws, Chapter 552, subdivision 2, specifically directs the State Treasurer to adopt rules governing: (1) the form and content of the Credit Card Disclosure Reports required by subdivision 1, and (2) public access to the information filed in the reports. The State Treasurer is also permitted to adopt other rules as necessary to administer subdivision 1.

IV. STATEMENT OF REASONABLENESS

The State Treasurer is required by Minnesota Statutes, Chapter 14, to make an affirmative presentation of facts establishing the reasonableness of the proposed rules. Reasonableness is the opposite of arbitrariness or capriciousness. It means that there is a rational basis for the proposed action by the State Treasurer. The reasonableness of the proposed rules is discussed below.

A. Reasonableness of the Rules as a Whole

The State Treasurer has made a concerted effort to propose rules which require creditors to report only information which they are already required to collect and disclose to credit card applicants. The report form is short and allows for electronic filing; reporting has been made as convenient as possible.

B. Reasonableness of Individual Rules

The following discussion addresses the specific provisions of the proposed rules.

Part 9700.0100 DEFINITIONS

Part 9700.0100 defines the terms "credit card application" and "creditor." This is reasonable because the referenced statute does not specifically define who is considered a "creditor" and what is considered a "credit card application." The proposed rule adopts definitions already contained in Minnesota statutes thereby minimizing the possibility of an affected person or institution being unintentionally included in a class.

Part 9700.0200 CREDIT CARD DISCLOSURES REPORT

Part 9700.0200 describes who must file a credit card disclosure report form, states when the report form must be filed, establishes the date on which the information contained in the report must be current, and sets forth the format of the report form itself.

This is reasonable because the statute requires a "report" to be filed. It is convenient for both the State Treasurer and the reporting creditor that the report be in a standard format. It is easier for the State Treasurer to process; the creditor has a higher degree of assurance that the information provided by the

creditor will be in compliance with the statute. The information required in the report form is consistent with the disclosures required by Minnesota Statutes, Sections 325G.42 and 325G.46.

It is also reasonable that the information provided annually by the creditor on December 31 should be current as of January 1 of the following year. It seems clear that the purpose of the statute is to provide information which will be helpful to individuals making credit card decisions in the future. The rule anticipates that the reported information may be of the type that would change at the end of a month or at the end of a year; therefore, information current as of December 31 may not accurately reflect a creditor's circumstances looking forward. It is also assumed that this "future" information is readily available to creditors since decisions regarding these matters must be made by creditors well in advance of the last day for reporting.

Part 9700.0300 ELECTRONIC FILING PROCEDURES

Part 9700.0300 provides creditors with the option of filing Credit Card Disclosure Report Forms electronically rather than by the usual paper format.

This is reasonable since the rule does not require electronic filing. It is merely a choice made available to the creditor at the creditor's option. It is assumed that electronic filing may be easier for some creditors and, if used, will be administratively more convenient and efficient for the State Treasurer.

Part 9700.0400 PUBLIC ACCESS TO INFORMATION FILED

Part 9700.0400 provides that the information reported to the State Treasurer in the Credit Card Disclosure Report Forms shall be made available to the public upon request, subject to the provisions of Minnesota Statutes, Chapter 13 (Government Data Practices).

This is reasonable because it assures that anyone may have access to any information not otherwise protected under the Government Data Practices Act.

V. SMALL BUSINESS CONSIDERATIONS IN RULEMAKING

Minnesota Statutes, Section 14.115, subdivision 2 (1990), requires the State Treasurer, when proposing rules which may affect small businesses, to consider the following methods for reducing the impact on small businesses:

(a) the establishment of less stringent compliance or reporting requirements for small businesses;

(b) the establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;

(c) the consolidation or simplification of compliance or

reporting requirements for small businesses;

(d) the establishment of performance standards for small businesses to replace design or operational standards required in the rule; and

(e) the exemption of small businesses from any or all requirements of the rule.

The proposed rules may affect small businesses as defined in Minnesota Statutes, Section 14.115 (1990). As a result, the State Treasurer has considered the above-listed methods for reducing the impact of the rule on small businesses. The proposed rules and the statute authorizing the State Treasurer to adopt rules require the disclosure of information which creditors must already disclose to credit card applicants under current federal and state laws. Therefore, it was concluded that the additional impact of this statute and the proposed rules on small businesses is relatively small.

VI. CONCLUSION

Based on the foregoing, the proposed Minnesota Rules Parts 9700.0100 to 9700.0400 are both needed and reasonable.

Dated: August 31, 1992

Michael A. McGrath
Treasurer
State of Minnesota

Office of the State Treasurer

Proposed Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Proposed (all new material)

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

Approved by Revisor PMM/ca

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____ _____ Annual Percentage Rate (A.P.R.) charged to Minnesotans.

_____ _____ Is the A.P.R. a variable rate?

_____ _____ If variable, identify the index used, if any.

_____ _____ If variable, what is the "spread" from the index?

_____ _____ Amount of any minimum, fixed, transaction, activity, or similar charge.

_____ _____ The date or occasion upon which the finance charge, if any, begins to accrue on the transaction.

_____ _____ Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?

_____ _____ Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative — Date

MAIL FORM TO: **Office of the State Treasurer**
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____

Office of the State Treasurer
State of Minnesota

In the Matter of the Proposed Adoption of the Rule of the State of Minnesota Governing Credit Card Disclosure Reports

NOTICE OF INTENT TO ADOPT A RULE WITHOUT A PUBLIC HEARING

(1) Notice is hereby given that the Office of the State Treasurer, State of Minnesota, intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in Minnesota Statutes, sections 14.22 to 14.28. The statutory authority to adopt the rule is Minnesota Statutes, section 325G.415, subdivision 2.

(2) All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. (3) Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. (4) If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. (6) Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. (7) If a public hearing is required, the Office of the State Treasurer will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20.

(5) Comments or written requests for a public hearing must be submitted to:

Jerry Engebretson
303 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155
(612) 296-7091

(11) The proposed rule may be modified if the modifications are supported by data and views submitted to the Office of the State Treasurer and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

(12) A Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the

proposed rule has been prepared and is available from Jerry Engebretson at the above address and telephone number upon request.

9 If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Jerry Engebretson at the above address.

August 18, 1992
Date

Michael A. McGrath
Treasurer
State of Minnesota

Office of the State Treasurer

Proposed Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Proposed (all new material)

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

Approved by Revisor PMM/CA

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved
by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction.
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative Date

MAIL FORM TO: **Office of the State Treasurer**
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved
by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

AFFIDAVIT OF MAILING THE NOTICE OF INTENT TO ADOPT A RULE WITHOUT A PUBLIC HEARING AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

Jerry Engebretson, being sworn says:

I hereby certify that the list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 or 14.30, that their names be placed on the Office of the State Treasurer's rulemaking mailing list is accurate, complete, and current as of this 28th day of August, 1992.

That on the 28th day of August, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Intent to Adopt A Rule Without a Public Hearing by depositing in the State of Minnesota Central Mail System for United States mailing, a copy thereof, with postage prepaid, to all persons and associations on the aforementioned mailing list.

Jerry Engebretson

Jerry Engebretson
Chief of Staff
Office of the State Treasurer

Subscribed and sworn to before me
this 28th day of August, 1992.

Carol C Johnson

CAROL C. JOHNSON
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
My Comm. Expires Mar. 28, 1994

Office of the State Treasurer
State of Minnesota

In the Matter of the Proposed Adoption of the Rule of the State of Minnesota Governing Credit Card Disclosure Reports

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Notice is hereby given that the Office of the State Treasurer, State of Minnesota, intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in Minnesota Statutes, sections 14.22 to 14.28. The statutory authority to adopt the rule is Minnesota Statutes, section 325G.415, subdivision 2.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the Office of the State Treasurer will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to:

Jerry Engebretson
303 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155
(612) 296-7091

The proposed rule may be modified if the modifications are supported by data and views submitted to the Office of the State Treasurer and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A Statement of Need and Reasonableness that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the

proposed rule has been prepared and is available from Jerry Engebretson at the above address and telephone number upon request.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Jerry Engebretson at the above address.

August 18, 1992
Date

Michael A. McGrath
Treasurer
State of Minnesota

Office of the State Treasurer

Proposed Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Proposed (all new material)

9700.0100 DEFINITIONS.

Subpart 1. Scope. As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. Credit card application. "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. Creditor. "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

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Subp. 2. Procedures. A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

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Approved by Revisor PMM/CA

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

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_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction.
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative — Date

MAIL FORM TO: Office of the State Treasurer
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

AFFIDAVIT OF MAILING THE NOTICE OF SUBMISSION OF RULE ADOPTED WITHOUT PUBLIC HEARING TO THE ATTORNEY GENERAL

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

Jerry Engebretson, being sworn says:

That on the 3rd day of November, 1992, in the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Submission to the Attorney General by depositing in the State of Minnesota Central Mail System for United States mail, a copy thereof, with postage prepaid, to all persons and associations who requested notice that the rule in the above-entitled matter has been submitted to the Attorney General.

Jerry Engebretson
Chief of Staff
Office of the State Treasurer
State of Minnesota

Subscribed and sworn to before me
this 3rd day of November, 1992.

Carol C Johnson

CAROL C. JOHNSON
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
My Comm. Expires Mar. 28, 1994

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

AFFIDAVIT OF PUBLICATION IN THE STATE REGISTER

STATE OF MINNESOTA)
)ss.
COUNTY OF RAMSEY)

Jerry Engebretson, being sworn says:

I hereby certify that the copy of the Notice of Intent to Adopt a Rule Without a Public Hearing attached hereto, is one and the same as that which was published in the State Register for the State of Minnesota on August 31, 1992.

Jerry Engebretson
Chief of Staff
Office of the State Treasurer
State of Minnesota

Subscribed and sworn to before me
this 1st day of October, 1992.

Carol C Johnson

CAROL C. JOHNSON
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
My Comm. Expires Mar. 28, 1994

The proposed rules may be modified if the modifications were supported by data and views submitted to the Department of Revenue and do not result in a substantial change in the proposed rules as noticed. A copy of the proposed rule is attached to this notice. A free copy of the rules is available upon request from Richard L. Walzer at the address and telephone number listed above.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rules and identifies the data and information relied upon to support the proposed rules has been prepared and is available upon request from Richard L. Walzer at the address and telephone number listed above.

In preparing these rules, the Department has considered the requirements of *Minnesota Statutes*, section 14.115 in regard to the impact on the proposed rule on small business. The adoption of the rule will not adversely affect small businesses.

Minnesota Statutes, section 14.11, subd. 1 does not apply because adoption of the rules will not result in additional spending by local public bodies in excess of $100,000 per year for the first two years following adoption of the rules. *Minnesota Statutes*, section 14.11, subd. 2, does not apply because adoption of the rules will not impact agricultural land. *Minnesota Statutes*, section 16A.128, subds. 1a and 2a do not apply because the rules do not fix fees.

If no hearing is required, upon adoption of the rules, the rules and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rules, must submit the written request to Richard L. Walzer at the address and telephone number listed above.

Dated: 17 August 1992

Michael E. Boekhaus, Director
Appeals, Legal Services, and
Criminal Investigation Division

Rules as Proposed (all new material)

8165.0100 REVENUE RECAPTURE; IDENTIFYING INFORMATION.

In addition to the name and social security number of the debtor as required by *Minnesota Statutes*, section 270A.04, subdivision 3, the commissioner of revenue may require an agency making a revenue recapture claim to furnish any of the following information in order for the commissioner to correctly identify the debtor:

A. the address of the debtor;

B. a former address of the debtor;

C. the name and social security number of the debtor's spouse;

D. the name and social security number of the debtor's ex-spouse;

E. the name and address of the debtor's employer or a former employer; and

F. the names of dependents of the debtor.

Office of the State Treasurer

Proposed Permanent Rules Relating to Credit Card Disclosure Reports

Notice of Intent to Adopt a Rule Without a Public Hearing

NOTICE IS HEREBY GIVEN that the Office of the State Treasurer, State of Minnesota, intends to adopt the above-entitled rule without a public hearing following the procedures set forth in the Administrative Procedure Act for adopting rules without a public hearing in *Minnesota Statutes*, sections 14.22 to 14.28. The statutory authority to adopt the rule is *Minnesota Statutes*, section 325G.415, subdivision 2.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request in writing. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the Office of the State Treasurer will proceed pursuant to *Minnesota Statutes*, sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to:

Jerry Engebretson
303 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155
(612) 296-7091

The proposed rule may be modified if the modifications are supported by data and views submitted to the Office of the State Treasurer and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A STATEMENT OF NEED AND REASONABLENESS that describes the need for and reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from Jerry Engebretson at the above address and telephone number upon request.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Jerry Engebretson at the above address.

Dated: 18 August 1992

Michael A. McGrath
Treaurer
State of Minnesota

Rules as Proposed (all new material)

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in *Minnesota Statutes*, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in *Minnesota Statutes*, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

OFFICE OF THE STATE TREASURER
CREDIT CARD DESK
303 ADMINISTRATION BUILDING
SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

8. _____ Amount of late payment fees.

9.

Credit Purchases	Cash Advances	
_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction.
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

Signature and Title of Creditor's Representative

Date

MAIL FORM TO: Office of the State Treasurer
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of *Minnesota Statutes*, chapter 13 (Government Data Practices.)

Adopted Rules

The adoption of a rule becomes effective after the requirements of Minn. Stat. §14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. §14.33 and upon the approval of the Revisor of Statutes as specified in §14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under §14.18.

Department of Agriculture

Adopted Permanent Rules Relating to Certified Seed Potatoes

The rules proposed and published at *State Register*, Volume 16, Number 50, pages 2660-2661, June 8, 1992 (16 SR 2660), are adopted as proposed.

Department of Labor and Industry

Adopted Permanent Rules Relating to Ammonia Refrigeration Systems

The rules proposed and published at *State Register*, Volume 16, Number 43, pages 2273-2307, April 20, 1992 (16 SR 2273), are adopted with the following modifications:

Rules as Adopted

5230.5020 DEFINITIONS.

Subp. 42. **Machinery room, class T.** "Machinery room, class T" means a machinery room as defined by subpart 41 that complies with the specific requirements of items A to H:

H. no permanently installed flame-producing device or hot surface above 800 degrees Fahrenheit (426.5 degrees centigrade) shall be permitted in the class T machinery room. ~~The electrical equipment in the class T room must conform to the requirements of hazardous locations class I, division 2, of the Minnesota State Electrical Code.~~

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

DECLARATION OF COUNSEL

I, Amy Kvalseth, Special Assistant Attorney General, do hereby declare that I have examined the above-captioned rule, and the supporting rulemaking record, and that, based on my examination, the Administrative Procedure Act and Minnesota Rules, chapter 2010 have been followed. Any exceptions are listed below.

Amy V. Kvålseth

Amy Kvålseth
Special Assistant
Attorney General

Dated: October 29, 1992

1. The Notices of Intent to Adopt a Rule Without a Public Hearing did not give the ending date of the comment period as required by Minn. Stat. § 14.22.

2. Minn. Stat. § 14.115, subd. 4 was not followed.

Neither procedural error deprived any person or entity of an opportunity to participate. In fact, small business interests were represented in comments made by CUNA Service Group, Inc. and Minnesota Retail Merchants Association. The comments were considered in formulating the rules.

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports

NOTICE OF SUBMISSION OF RULE ADOPTED WITHOUT PUBLIC HEARING TO THE ATTORNEY GENERAL

Pursuant to your request and in accordance with Minnesota Statutes, section 14.26:

PLEASE TAKE NOTICE that the above-captioned rule as adopted has been submitted to the Office of the Attorney General on the date of this notice, November 3, 1992, for review as to legality and form to the extent form relates to legality. The proposed rule, the rule as adopted, all the notices, the Statement of Need and Reasonableness, all written comments and requests for a hearing received, and other required documents also have been submitted to the Attorney General.

The proposed rule which was published in the State Register and made available to the public on August 31, 1992, has been modified. A copy of the rule as modified as well as the Findings of Fact, Conclusions, and Order explaining the amendments and adopting the rule is enclosed with this Notice.

The rule must be approved or disapproved by the Attorney General within 14 calendar days of the date of submission to the Attorney General. You may submit written comments to the Attorney General on the legality of the rule. Any written comments must be submitted within eight calendar days of the date of submission of the rule to the Attorney General. Your comments must address only the issue of legality of the rule or the legality of the specific parts or subparts of the rule. The Attorney General standards for review are set forth in Minnesota Rules, part 2010.1000. You may receive a copy of the Attorney General decision upon written request to the Attorney General.

Your comments or requests for the decision must be directed to:

The Office of the Attorney General
Public Finance Division
525 Park Street
Saint Paul, Minnesota 55103
Telephone Number: (612) 297-2040

Any written comments submitted to the Attorney General must be submitted simultaneously to:

Jerry Engebretson, Chief of Staff
Office of the State Treasurer
303 Administration Building
St. Paul, Minnesota 55155

Michael A. McGrath
Treasurer
State of Minnesota

Dated this 3rd day of November, 1992.

In the Matter of the Proposed Adoption of the Rule of the Office of the State Treasurer, State of Minnesota, Governing Credit Card Disclosure Reports	**FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING RULE WITHOUT A PUBLIC HEARING**

Notice of the State Treasurer's intent to adopt the above-entitled rule was published in the State Register on August 31, 1992, and was sent by United States mail to all persons on the list maintained by the Office of the State Treasurer pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on August 28, 1992. The Statement of Need and Reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. No requests for a public hearing on the rule were received by the Office of the State Treasurer.

A written comment was received from a representative of CUNA Service Group, Inc., and an oral comment was received from a representative of the Minnesota Retail Merchants Association.

One request for notice of submission to the attorney general was received by the State Treasurer from:

Ms. Patricia A. Torkildson
Vice President and Associate General Counsel
CUNA Service Group, Inc.
Box 431
Madison, Wisconsin 53701-0431.

Based upon the comments and evidence in the record before the State Treasurer, I find the following:

1. That the paragraph at D. of the INSTRUCTIONS of the Report Form, found in Subpart 3, Proposed Rule 9700.0200, be amended to read as follows:

   "Give specific dollar amounts or percentage rates charged to Minnesotans. Do not use ranges."

2. That the paragraph following the sixth set of blank lines at Item Number 9 of the Report Form, found in Subpart 3, Proposed Rule 9700.0200, be amended to read as follows:

"The date or occasion upon which the finance charge, if any, begins to accrue on the transaction; that is, the grace period. (For example, "25 days after statement closing date.")."

3. That these changes to the Proposed Rules are not substantial changes.

   a. The changes did not affect classes of persons who could not reasonably have been expected to comment on the proposed rule as originally noticed. In fact, the changes are in response to comments made.

   b. Significant new subject matter has not been introduced.

   Both changes are for the benefit of the creditor by clarifying what information is being requested. The change in the Instructions clearly limits the request to Minnesotans; this limitation is consistent with Minnesota Statutes, section 325G.415. The change in Item Number 9 of the Report Form provides a commonly used phrase, "grace period", to identify the content of the question. The phrase neither expands nor contracts the information requested. The example in said Item Number 9 makes it clear that a specific date is not required. Rather, a reference point which can be calculated is sufficient.

4. The above-captioned rule, as modified, is needed and reasonable.

NOW, THEREFORE, IT IS ORDERED that the rule identified as Rules Relating to Credit Card Disclosure Reports, as modified, is adopted this 3rd day of November, 1992, pursuant to authority vested in me by Minnesota Statutes, section 325G.415, subdivision 2.

Michael A. McGrath
Treasurer
State of Minnesota

Office of the State Treasurer

Adopted Permanent Rules Relating to Credit Card Disclosure Reports

Rules as Adopted

9700.0100 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the terms defined in this part have the meanings given them.

Subp. 2. **Credit card application.** "Credit card application" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 2.

Subp. 3. **Creditor.** "Creditor" has the meaning given in Minnesota Statutes, section 325G.41, subdivision 3.

9700.0200 CREDIT CARD DISCLOSURES REPORT.

Subpart 1. **Requirement.** A creditor who distributes its own credit card application within the state of Minnesota shall complete and file the credit card disclosure report form contained in this part.

Subp. 2. **Procedures.** A creditor shall file a credit card disclosure report form with the Office of the State Treasurer on December 31 of each year beginning in 1992. The information provided must be current as of January 1 of the following year.

Subp. 3. **Report form.** The following form must be used in conjunction with this chapter:

Approved by Revisor PMM

OFFICE OF THE STATE TREASURER

CREDIT CARD DESK

303 ADMINISTRATION BUILDING

SAINT PAUL, MINNESOTA 55155

MINNESOTA CREDIT CARD DISCLOSURE REPORT FORM

Minnesota Statutes, section 325G.415, requires any creditor who distributes its own credit card application in Minnesota to annually file certain information regarding this credit to the State Treasurer of Minnesota. The Minnesota Credit Card Disclosure Report Form must be filed annually with the Office of the State Treasurer no later than December 31. The information contained in the report must be current as of January 1 of the following year.

INSTRUCTIONS

A. You are not required to file this form if you merely distribute credit card applications on behalf of a creditor other than yourself.

B. You may, but are not required to, provide the State Treasurer with the name and address of any creditor for whom you distribute credit card applications. Please use the space provided on the next line. Use additional sheets if necessary.

_____

C. Use one form for each credit card offered.

D. Give specific dollar amounts or percentage rates <u>charged to Minnesotans</u>. Do not use ranges.

****

1. _____
Name of Creditor

2. _____
Street and/or P.O. Address

3. _____ _____ _____
City State Zip Code

4. _____ _____
Name of Person Preparing this Form Phone

5. _____
Name of Credit Card

6. _____ Amount of any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of the credit card, expressed as an annual amount.

7. _____ Charges for exceeding credit limits.

Approved
by Revisor _____

8. _____ Amount of late payment fees.

9. Credit Purchases Cash Advances

_____	_____	Annual Percentage Rate (A.P.R.) charged to Minnesotans.
_____	_____	Is the A.P.R. a variable rate?
_____	_____	If variable, identify the index used, if any.
_____	_____	If variable, what is the "spread" from the index?
_____	_____	Amount of any minimum, fixed, transaction, activity, or similar charge.
_____	_____	The date or occasion upon which the finance charge, if any, begins to accrue on the transaction; that is, the grace period. (For example, "25 days after statement closing date").
_____	_____	Is the entire credit card balance due and payable upon receipt of a periodic statement of charges?
_____	_____	Amount of any fees charged other than those listed above.

10. Set forth below any other information which you believe would clarify the information provided above: (Use additional sheets if necessary)

_____

_____

_____

_____

11. Please attach a list of organizations through which the creditor offers credit cards in Minnesota.

_____ _____

Signature and Title of Creditor's Representative Date

MAIL FORM TO: **Office of the State Treasurer**
ATTN: Credit Card Desk
303 Administration Building
St. Paul, Minnesota 55155

Approved by Revisor _____

9700.0300 ELECTRONIC FILING PROCEDURES.

In lieu of filing the form referred to in the previous part, the creditor may, at the creditor's option, electronically file the information required by the form in part 9700.0200. For purposes of this part, "electronically" means:

A. facsimile transmission of the form via commercial phone lines;

B. computer floppy disk of the information required by the above form; or

C. direct transmission of the information required via a modem to the computer system in the Office of the State Treasurer.

9700.0400 PUBLIC ACCESS TO INFORMATION FILED.

The credit card disclosure information shall be available from the Office of the State Treasurer upon request subject to the provisions of Minnesota Statutes, chapter 13 (Government Data Practices.)

Approved
by Revisor _____