

total or partial disability or death. No compensation shall be paid pursuant to this section for pain and suffering. Payments made pursuant to this section shall be reduced by any proceeds received by the claimant from any insurance policy covering the loss. For the purposes of this section, "insurance policy" does not include the medical assistance program authorized under chapter 256B, or the general assistance medical care program authorized under chapter 256D.

Sec. 4. Minnesota Statutes 1984, section 609.135, subdivision 1, is amended to read:

Subdivision 1. **TERMS AND CONDITIONS.** Except when a sentence of life imprisonment is required by law, or when a mandatory minimum term of imprisonment is required by section 609.11, any court may stay imposition or execution of sentence and (a) may order noninstitutional sanctions without placing the defendant on probation, or (b) may place the defendant on probation with or without supervision and on the terms the court prescribes, including noninstitutional sanctions when practicable. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in any case by some other suitable and consenting person. No noninstitutional sanction may be ordered performed at a location that fails to observe applicable requirements or standards of chapter 181A or 182, or any rule promulgated under them. For purposes of this subdivision, subdivision 6, and section 609.14, the term "noninstitutional sanctions" includes but is not limited to restitution, community work service, and work in lieu of or to work off fines.

A court may not stay the revocation of the driver's license of a person convicted of violating the provisions of section 169.121.

Approved May 28, 1985

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#### CHAPTER 243 — S.F.No. 863

*An act relating to commerce; modifying the definition of credit card to include other types of instruments; prescribing criminal penalties for financial transaction card fraud; amending Minnesota Statutes 1984, sections 325G.02, subdivisions 2 and 4; 325G.03; 325G.04; 325G.041; 325G.05; 609.52, subdivisions 1 and 2; and 609.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.*

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1984, section 325G.02, subdivision 2, is amended to read:

Subd. 2. "Credit Financial transaction card" means any an instrument or device, whether known as a credit card, credit plate, charge plate, courtesy card, bank services card, banking card, check guarantee card, debit card, or by any other identification card or device name issued with or without fee by a person an issuer for the use of the holder to another person which authorizes the holder to obtain credit or to purchase or lease property or services on the credit of the issuer or of the obligor, money, goods, services, or anything else of value, but does not mean a telephone company credit card.

Sec. 2. Minnesota Statutes 1984, section 325G.02, subdivision 4, is amended to read:

Subd. 4. "Issuer" means a person or firm which or its duly authorized agent, that issues a credit financial transaction card.

Sec. 3. Minnesota Statutes 1984, section 325G.03, is amended to read:

**325G.03 UNSOLICITED CREDIT FINANCIAL TRANSACTION CARDS.**

No person in whose name a credit financial transaction card is issued shall be liable for any amount resulting from use of that card from which he or a member of his family or household derives no benefit unless he has accepted the card by (1) signing or using the card, or (2) authorizing the use of the card by another. A mere failure to destroy or return an unsolicited credit financial transaction card is not such an acceptance. Signing or using a card is not acceptance if those acts were performed under duress as defined under section 609.08.

Sec. 4. Minnesota Statutes 1984, section 325G.04, is amended to read:

**325G.04 LOST OR STOLEN CREDIT FINANCIAL TRANSACTION CARDS.**

Subdivision 1. No person in whose name a credit financial transaction card has been issued which he has accepted as provided in section 325G.03 shall be liable for any amount in excess of \$50 resulting from the unauthorized use of the card from which he or a member of his family or household derives no benefit; provided, however, that the limitation on liability of this subdivision shall be effective only if the issuer is notified of any unauthorized charges contained in a bill within 60 days of receipt of the bill by the person in whose name the card is issued.

Subd. 2. No person in whose name a credit financial transaction card is issued shall be liable for any amount resulting from the unauthorized use of such

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~~credit~~ the financial transaction card after receipt by the issuer of notice that the card has been lost or stolen and from which such person or a member of his family or household derives no benefit.

Sec. 5. Minnesota Statutes 1984, section 325G.041, is amended to read:

**325G.041 MARRIED WOMAN; NAME ON CARD.**

If a ~~credit~~ financial transaction card issuer has determined in the normal course of business that it will issue a card to a married woman, the card shall be issued bearing either her current or former surname, as the woman may direct.

Credit Financial transaction card issuers may require that a married woman requesting a card in a former surname open a new account in that name. Refusal to issue a ~~credit~~ financial transaction card pursuant to this section constitutes an unfair discriminatory practice under section 363.03, subdivision 8.

Sec. 6. Minnesota Statutes 1984, section 325G.05, is amended to read:

**325G.05 DISPUTED ACCOUNTS.**

Subdivision 1. **BILLING INFORMATION.** Every ~~credit~~ financial transaction card issuer shall include on each billing statement the name, address, and telephone number of the department designated by it to receive requests by the customer account holder to correct mistakes or make adjustments to the billing statement.

Subd. 2. **REQUIRED RESPONSE.** Every ~~credit~~ financial transaction card issuer, within 30 days of receipt from a customer account holder, in writing at the address specified in subdivision 1, of a questioned or disputed charge, shall conduct an individual inquiry into the facts and send to the customer account holder an explanatory response in clear and definite terms.

Subd. 3. **VIOLATION.** A violation of this section shall be treated as a violation of section 325F.69.

Sec. 7. Minnesota Statutes 1984, section 609.52, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** In this section:

(1) "Property" means all forms of tangible property, whether real or personal, without limitation including documents of value, electricity, gas, water, corpses, domestic animals, dogs, pets, fowl, and heat supplied by pipe or conduit by municipalities or public utility companies and articles, as defined in clause (4), representing trade secrets, which articles shall be deemed for the purposes of Extra Session Laws 1967, Chapter 15 to include any trade secret represented by the article.

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(2) "Movable property" is property whose physical location can be changed, including without limitation things growing on, affixed to or found in land.

(3) "Value" means the retail market value at the time of the theft, or if the retail market value cannot be ascertained, the cost of replacement of the property within a reasonable time after the theft, or in the case of a theft or the making of a copy of an article representing a trade secret, where the retail market value or replacement cost cannot be ascertained, any reasonable value representing the damage to the owner which he has suffered by reason of losing an advantage over those who do not know of or use the trade secret. For a theft committed within the meaning of subdivision 2, clause (5), (a) and (b), if the property has been restored to the owner, "value" means the value of the use of the property or the damage which it sustained, whichever is greater, while the owner was deprived of its possession, but not exceeding the value otherwise provided herein.

(4) "Article" means any object, material, device or substance, including any writing, record, recording, drawing, sample specimen, prototype, model, photograph, micro-organism, blueprint or map, or any copy of any of the foregoing.

(5) "Representing" means describing, depicting, containing, constituting, reflecting or recording.

(6) "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and

(ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(7) "Copy" means any facsimile, replica, photograph or other reproduction of an article, and any note, drawing or sketch made of or from an article while in the presence of the article.

(8) "Property of another" includes property in which the actor is co-owner or has a lien, pledge, bailment, or lease or other subordinate interest, and property of a partnership of which the actor is a member, unless the actor and the victim are husband and wife. It does not include property in which the actor asserts in good faith a claim as a collection fee or commission out of property or funds recovered, or by virtue of a lien, set-off, or counterclaim.

(9) "Services" include but are not limited to labor, professional services, transportation services, electronic computer services, the supplying of hotel accommodations, restaurant services, entertainment services, advertising services, telecommunication services, and the supplying of equipment for use.

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(10) “Financial transaction card” means any instrument or device, whether known as a credit card, credit plate, charge plate, courtesy card, bank services card, banking card, check guarantee card, debit card, or by any other name, issued with or without fee by an issuer for the use of the cardholder in obtaining credit, money, goods, services, or anything else of value.

Sec. 8. Minnesota Statutes 1984, section 609.52, subdivision 2, is amended to read:

Subd. 2. **ACTS CONSTITUTING THEFT.** Whoever does any of the following commits theft and may be sentenced as provided in subdivision 3:

(1) Intentionally and without claim of right takes, uses, transfers, conceals or retains possession of movable property of another without his consent and with intent to deprive the owner permanently of possession of the property; or

(2) Having a legal interest in movable property, intentionally and without consent, takes the property out of the possession of a pledgee or other person having a superior right of possession, with intent thereby to deprive the pledgee or other person permanently of the possession of the property; or

(3) Obtains for himself or another the possession, custody or title to property or performance of services by a third person by intentionally deceiving him with a false representation which is known to be false, made with intent to defraud, and which does defraud the person to whom it is made. “False representation” includes without limitation:

(a) The issuance of a check, draft, or order for the payment of money or the delivery of property knowing that he is not entitled to draw upon the drawee therefor or to order the payment or delivery thereof; or

(b) A promise made with intent not to perform. Failure to perform is not evidence of intent not to perform unless corroborated by other substantial evidence; or

(c) The unauthorized use of a credit card, credit plate, charge plate financial transaction card, or the number thereof, or other identification device issued by an organization to a person for use in purchasing goods or services on credit; or

(d) The preparation or filing of a claim for reimbursement, a rate application, or a cost report used to establish a rate or claim for payment for medical care provided to a recipient of medical assistance under chapter 256B, which intentionally and falsely states the costs of or actual services provided by a vendor of medical care; or

(4) By swindling, whether by artifice, trick, device, or any other means, obtains property or services from another person; or

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(5) Intentionally commits any of the acts listed in this subdivision but with intent to exercise temporary control only and;

(a) The control exercised manifests an indifference to the rights of the owner or the restoration of the property to him; or

(b) He pledges or otherwise attempts to subject the property to an adverse claim; or

(c) He intends to restore the property only on condition that the owner pay a reward or buy back or make other compensation; or

(6) Finds lost property and, knowing or having reasonable means of ascertaining the true owner, appropriates it to his own use or to that of another not entitled thereto without first having made reasonable effort to find the owner and offer and surrender the property to him; or

(7) Intentionally obtains property or services, offered upon the deposit of a sum of money or tokens in a coin or token operated machine or other receptacle, without making the required deposit or otherwise obtaining the consent of the owner; or

(8) Intentionally and without claim of right converts any article representing a trade secret, knowing it to be such, to his own use or that of another person or makes a copy of an article representing a trade secret, knowing it to be such, and intentionally and without claim of right converts the same to his own use or that of another person. It shall be a complete defense to any prosecution under this clause for the defendant to show that information comprising the trade secret was rightfully known or available to him from a source other than the owner of the trade secret; or

(9) Leases or rents personal property under a written instrument and who with intent to place the property beyond the control of the lessor conceals or aids or abets the concealment of the property or any part thereof, or any lessee of the property who sells, conveys or encumbers the property or any part thereof without the written consent of the lessor, without informing the person to whom he sells, conveys, or encumbers that the same is subject to such lease and with intent to deprive the lessor of possession thereof. Evidence that a lessee used a false or fictitious name or address in obtaining the property or fails or refuses to return the property to lessor within five days after written demand for the return has been served personally in the manner provided for service of process of a civil action or sent by certified mail to the last known address of the lessee, whichever shall occur later, shall be evidence of intent to violate this clause. Service by certified mail shall be deemed to be complete upon deposit in the United States mail of such demand, postpaid and addressed to the person at the address for the person set forth in the lease or rental agreement, or, in the absence of the address, to the person's last known place of residence; or

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(10) Alters, removes or obliterates numbers or symbols placed on movable property for purpose of identification by the owner or person who has legal custody or right to possession thereof with the intent to prevent identification, if the person who alters, removes or obliterates the numbers or symbols is not the owner and does not have the permission of the owner to make the alteration, removal or obliteration; or

(11) With the intent to prevent the identification of property involved, so as to deprive the rightful owner of possession thereof, alters or removes any permanent serial number, permanent distinguishing number or manufacturer's identification number on personal property or possesses, sells or buys any personal property with knowledge that the permanent serial number, permanent distinguishing number or manufacturer's identification number has been removed or altered; or

(12) Intentionally deprives another of a lawful charge for cable television service by

(i) making or using or attempting to make or use an unauthorized external connection outside the individual dwelling unit whether physical, electrical, acoustical, inductive or other connection, or by

(ii) attaching any unauthorized device to any cable, wire, microwave, or other component of a licensed cable communications system as defined in chapter 238. Nothing herein shall be construed to prohibit the electronic video re-recording of program material transmitted on the cable communications system by a subscriber for fair use as defined by Public Law 94-553, Section 107; or

(13) Except as provided in paragraphs (12) and (14), obtains the services of another with the intention of receiving those services without making the agreed or reasonably expected payment of money or other consideration; or

(14) Intentionally deprives another of a lawful charge for telecommunication service by:

(i) making, using, or attempting to make or use an unauthorized connection whether physical, electrical, by wire, microwave, radio or other means to a component of a local telecommunication system as provided in chapter 237; or

(ii) attaching an unauthorized device to a cable, wire, microwave, radio or other component of a local telecommunication system as provided in chapter 237.

The existence of an unauthorized connection is prima facie evidence that the occupier of the premises:

(i) made or was aware of the connection; and

(ii) was aware that the connection was unauthorized.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 9. Minnesota Statutes 1984, section 609.625, subdivision 1, is amended to read:

Subdivision 1. **MAKING OR ALTERING WRITING OR OBJECT.** Whoever, with intent to defraud, falsely makes or alters a writing or object of any of the following kinds so that it purports to have been made by another or by himself under an assumed or fictitious name, or at another time, or with different provisions, or by authority of one who did not give such authority, is guilty of aggravated forgery and may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both:

(1) A writing or object whereby, when genuine, legal rights, privileges, or obligations are created, terminated, transferred, or evidenced, or any writing normally relied upon as evidence of debt or property rights; or

(2) An official seal or the seal of a corporation; or

(3) A public record or an official authentication or certification of a copy thereof; or

(4) An official return or certificate entitled to be received as evidence of its contents; or

(5) A court order, judgment, decree, or process; or

(6) The records or accounts of a public body, office, or officer; or

(7) The records or accounts of a bank or person, with whom funds of the state or any of its agencies or subdivisions are deposited or entrusted, relating to such funds; or

(8) A financial transaction card as defined in section 609.52.

Sec. 10. [609.821] **FINANCIAL TRANSACTION CARD FRAUD.**

Subdivision 1. DEFINITIONS. For the purposes of this section, the following terms have the meanings given them:

(a) "Financial transaction card" or "card" has the meaning given in section 609.52, and includes the account or identification number or symbol of a financial transaction card.

(b) "Cardholder" means a person in whose name a card is issued.

(c) "Issuer" means a person or firm, or a duly authorized agent, that issues a financial transaction card.

(d) "Property" includes money, goods, services, or anything else of value.

Subd. 2. VIOLATIONS; PENALTIES. A person who does any of the following commits financial transaction card fraud:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.



(1) without the consent of the cardholder, and knowing that the cardholder has not given consent, uses or attempts to use a card to obtain the property of another;

(2) uses or attempts to use a card knowing it to be forged, false, fictitious, or obtained in violation of clause (6);

(3) sells or transfers a card knowing that the cardholder and issuer have not authorized the person to whom the card is sold or transferred to use the card, or that the card is forged, false, fictitious, or was obtained in violation of clause (6);

(4) without a legitimate business purpose, and without the consent of the cardholders, receives or possesses, with intent to use, or with intent to sell or transfer in violation of clause (3), two or more cards issued in the name of another, or two or more cards knowing the cards to be forged, false, fictitious, or obtained in violation of clause (6);

(5) being authorized by an issuer to furnish money, goods, services, or anything else of value, knowingly and with an intent to defraud the issuer or the cardholder:

(i) furnishes money, goods, services, or anything else of value upon presentation of a financial transaction card knowing it to be forged, expired, or revoked, or knowing that it is presented by a person without authority to use the card; or

(ii) represents in writing to the issuer that the person has furnished money, goods, services, or anything else of value which has not in fact been furnished;

(6) upon applying for a financial transaction card to an issuer:

(i) knowingly gives a false name or occupation; or

(ii) knowingly and substantially overvalues assets or substantially undervalues indebtedness for the purpose of inducing the issuer to issue a financial transaction card; or

(7) with intent to defraud, falsely notifies the issuer or any other person of a theft, loss, disappearance, or nonreceipt of a financial transaction card.

**Subd. 3. SENTENCE.** A person who commits financial transaction card fraud may be sentenced as follows:

(1) For a violation of clause (1), (2) or (5) of subdivision 2, in the manner provided in section 609.52, subdivision 3;

(2) For a violation of clause (3) or (4) of subdivision 2, to imprisonment for not more than 3 years or to payment of a fine of not more than \$5,000, or both; or

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(3) For a violation of clause (6) or (7) of subdivision 2,

(a) If no property, other than a financial transaction card, has been obtained by the defendant by means of the false statement or false report, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(b) If property, other than a financial transaction card, is so obtained, in the manner provided in section 609.52, subdivision 3.

Approved May 28, 1985

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### CHAPTER 244 — S.F.No. 1045

*An act relating to commerce; providing for the determination of certain usurious contracts; proposing coding for new law in Minnesota Statutes, chapter 334.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

**Section 1. [334.20] USURIOUS INTEREST; DETERMINATION AT TIME OF CONTRACT.**

The law existing at the time of a contract for the loan or forbearance of money, goods, or services, or things in action shall determine whether the interest charged on the loan or forbearance exceeded the maximum statutory interest rate, and the penalty for exceeding the maximum statutory interest rate in effect at the time of the transaction shall be applied notwithstanding a subsequent repeal or modification of the maximum statutory interest rate. This section applies to all actions to enforce a contract for the loan or forbearance of money, goods, or things in action that have not been reduced to final judgment on the effective date of this section, and applies to all contracts governed by this chapter and chapters 47, 48, 50, 51A, 52, 53, and 56, except sections 334.16 to 334.18.

**Sec. 2. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Approved May 28, 1985

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### CHAPTER 245 — S.F.No. 1067

*An act relating to commerce; requiring certain agreements to extend credit to be in writing; proposing coding for new law in Minnesota Statutes, chapter 513.*

**Changes or additions are indicated by underline, deletions by strikeout.**