

(e) (d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances.

Sec. 15. **REPEALER.**

Minnesota Statutes 1986, section 160.263, subdivision 1, is repealed.

Approved May 27, 1987

CHAPTER 256—H.F.No. 822

An act relating to commerce; requiring that credit card applications contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

Section 1. [325G.40] **CITATION.**

Sections 1 to 8 may be cited as the "credit card disclosure act."

Sec. 2. [325G.41] **DEFINITIONS AND COMPUTATIONS.**

Subdivision 1. GENERALLY. Except as otherwise provided, the terms used in sections 1 to 8 have the meanings prescribed in Code of Federal Regulations, title 12, part 226. Except as otherwise provided, the computations required under sections 1 to 8 shall be made as provided in Code of Federal Regulations, title 12, part 226.

Subd. 2. CREDIT CARD APPLICATION. "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.

Subd. 3. CREDITOR. "Creditor" includes any credit card issuer that extends either open-end credit or credit that is not subject to a finance charge and is not payable in installments.

Sec. 3. [325G.42] **CREDIT CARD DISCLOSURES.**

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

Subdivision 1. REQUIRED DISCLOSURES. A credit card application distributed in this state must disclose the following terms of the credit card plan, if applicable:

(1) Any periodic rate or rates that may be applied to the account, expressed as an annual percentage rate or rates. If the account is subject to a variable rate, the creditor may disclose the rate as of a specific date and indicate that the rate may vary, or may identify the index and any amount or percentage added to, or subtracted from, that index and used to determine the rate. For purposes of this section, the amount or percentage must be referred to as the "spread." If charges incurred by use of the credit card are due and payable upon receipt of a periodic statement of charges, then that fact must be disclosed.

(2) Any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of a credit card, expressed as an annual amount.

(3) Any minimum, fixed, transaction, activity, or similar charge.

(4) Any other fees that may be charged to the account, including late payment fees and charges for exceeding credit limits.

(5) The date or occasion upon which the finance charge, if any, begins to accrue on a transaction.

Subd. 2. FORM OF DISCLOSURES. The disclosures required under this section shall be written in plain language, as defined in section 325G.31; shall be in boldface type of a minimum size of ten points; shall be clear and conspicuous; and shall be prominently set apart from the remaining portions of the credit card application or other written material, by the use of margins, enclosures, underlining, contrasting colors, or similar methods.

Subd. 3. OPTIONAL DISCLOSURE CHART. A creditor need not present the disclosures required by subdivision 1 in any specific form other than as provided in subdivision 2. However, the disclosures are conclusively presumed to satisfy the requirements of subdivision 1 if the disclosures satisfy the requirements of subdivision 2 and are presented in a chart, substantially similar to the following description:

(1) The chart shall consist of contiguous boxes, and each required disclosure shall appear exclusively within one of the boxes.

(2) The first box shall contain the wording "ANNUAL PERCENTAGE RATE" if the creditor charges a fixed rate, or "VARIABLE RATE INDEX AND SPREAD," if appropriate, underneath which the creditor's rate will appear. If full payment is due upon receipt of a periodic statement of charges, then the first box shall state "Full payment due upon receipt of billing statement."

(3) The second box shall contain the wording "OTHER FEES" and shall disclose all other fees, including late payment penalties and any charges for exceeding the credit limit.

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(4) The third box shall contain the wording "ANNUAL FEE," underneath which the appropriate information shall be disclosed.

(5) The fourth box shall contain the wording "TRANSACTION FEE," underneath which the appropriate information shall be disclosed.

(6) The fifth box shall contain the wording "FREE PERIOD" or "GRACE PERIOD," underneath which the appropriate information shall be disclosed. For example, "30 days," or "yes, if full payment is received by next billing date," or "yes, if full new balance is paid by due date."

Subd. 4. ADDITIONAL DISCLOSURES PERMITTED. Nothing in this section prohibits a creditor from disclosing additional terms, conditions, or information, whether or not relating to the disclosures required under this section, in conjunction with the disclosures required by this section.

Subd. 5. EXCEPTION. This section does not apply to any advertisement, catalogue, or other written document or material which does not contain a credit card application.

Sec. 4. [325G.43] PENALTIES.

A person violating section 3 is subject to the penalties provided in section 8.31.

Sec. 5. [325G.44] DAMAGES.

A person injured by a violation of section 3 may recover actual damages in an action other than a class action, together with costs and disbursements, including a reasonable attorney's fee, and receive other equitable relief as determined by the court.

Sec. 6. [325G.45] FEDERAL LAW.

If a creditor becomes required by federal law to make disclosure of the terms required in section 3 in connection with the distribution of a credit card application, then the creditor is considered to have complied with the requirements of section 3 if the creditor complies with the federal disclosure requirement.

Sec. 7. [325G.46] ALTERNATIVE COMPLIANCE.

In lieu of complying with section 3, subdivision 2, a creditor, in connection with the distribution of a credit card application, may disclose the specific terms of section 3 in compliance with Code of Federal Regulations, title 12, part 226.5.

Sec. 8. [325G.47] NOTIFICATION OF ANNUAL FEE.

The customer must be notified of the amount of the annual fee, if any, and the date the fee is payable at least 30 days before the account is charged for the

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fee, and during that 30-day period the customer may cancel the open-end credit plan without penalty other than payment of any outstanding balance.

Sec. 9. **EFFECTIVE DATE.**

Sections 1 to 8 are effective January 1, 1988.

Approved May 27, 1987

CHAPTER 257—H.F.No. 955

An act relating to port authority powers for the cities of Roseville and White Bear Lake; amending Laws 1985, chapter 301, sections 3 and 4.

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

Section 1. Laws 1985, chapter 301, section 3, is amended to read:

Sec. 3. **ROSEVILLE; PORT AUTHORITY.**

The governing body of the city of Roseville may exercise all the powers of a port authority provided by Minnesota Statutes, chapter 458, as if the city were a port authority; and the city may exercise all the powers relating to a port authority granted to a city by Minnesota Statutes, chapter 458, or other law.

Sec. 2. Laws 1985, chapter 301, section 4, is amended to read:

Sec. 4. **WHITE BEAR LAKE; PORT AUTHORITY.**

The governing body of the city of White Bear Lake may exercise all the powers of a port authority provided by Minnesota Statutes, chapter 458, as if the city were a port authority; and the city may exercise all the powers relating to a port authority granted to a city by Minnesota Statutes, chapter 458, or other law.

Sec. 3. **EFFECTIVE DATE.**

Section 1 is effective for the city of Roseville the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Roseville. Section 2 is effective for the city of White Bear Lake the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of White Bear Lake.

Approved May 27, 1987

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