

CHAPTER 2675
DEPARTMENT OF COMMERCE
LOANS, INVESTMENTS, AND PROCEDURES

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2675.8100 DEFINITIONS.

Subpart 1 **Scope.** Terms in parts 2675.8100 to 2675 8190 that are defined in Minnesota Statutes, sections 47.61 to 47 74, have the meanings given them For the purpose of Minnesota Statutes, sections 47 61 to 47 74, and parts 2675 8100 to 2675 8190, the terms defined in this part have the meanings given them

Subp 2 **Act.** "Act" means Minnesota Statutes, sections 47 61 to 47 74

Subp 3 **Card.** "Card" means the access device used to activate a terminal, including a credit card or debit card "Card" does not include an access device issued by a government agency solely for the purpose of electronic benefit transfer programs or stored value cards, except that a stored value card that also serves as an access device for electronic terminal transactions is considered to be a card to the extent it performs the functions of a credit card or debit card

[For text of subp 4, see M R]

Subp 5 **Control.** "Control" means the ownership of greater than 50 percent interest in the terminal or terminals, or any leasehold interest in the terminal or terminals, or the power to act as agent or card issuer authorized by those persons having ownership or leasehold interests in the terminal or terminals for purposes of the act and parts 2675 8100 to 2675 8190 No agency agreement effects transfer of control from an owner or leasehold interest unless the agreement is in writing and provides for assumption of all of the responsibilities and requirements of the act and parts 2675 8100 to 2675 8190 by the agent If the agent is a financial institution, the agent is not required in the agreement to assume any responsibilities or requirements under the act or parts 2675 8100 to 2675 8190 which do not apply to terminals directly owned by financial institutions. If the agent is a national bank, federal savings association, or federal credit union, parts 2675 8100 to 2675.8190 apply to the extent permitted by federal law.

Subp 6 **Customer.** "Customer" means any person who has established a contractual relationship with a financial institution whereby that person is authorized to initiate any of those transactions permitted to be performed under the act at a terminal

Subp 6a. **Establish and maintain.** "Establish and maintain" means making electronic financial terminal operations available to customers or card issuers on terms and conditions provided in the act and parts 2675 8100 to 2675 8190 by reason of having control over a terminal

Subp 7 **Operator.** "Operator" means any person who assists in the initiation of terminal transactions on behalf of a customer Operator does not include an employee of a financial institution, financial institution holding company or subsidiary thereof or the customer

Subp 8 **Person.** "Person" means any individual, body politic or corporate, partnerships, or other unincorporated associations

[For text of subps 9 and 10, see M.R]

Subp 11 **Terminal.** "Terminal" means an electronic financial terminal as defined in the act and does not include communication systems such as telephones with digital screens, personal computers, or interactive television possessed by and operated exclusively by the customer whether or not it is used to accept the disclosures required by part 2675 8160

[For text of subp 12, see M.R.]

Subp 13 **Unauthorized withdrawal.** "Unauthorized withdrawal" is a withdrawal by a person other than the customer without actual authority to initiate the withdrawal, and from

which the customer receives no benefit. The term does not include any withdrawal that is initiated

A. by a person who was furnished with the card by the customer, unless the customer has notified the financial institution involved that the transfers by that person are no longer authorized,

B. with fraudulent intent by the customer or any person acting in concert with the customer; or

C. by the financial institution or its employee

Statutory Authority: *MS s 45 023, 47.71*

History: *22 SR 1711*

2675.8110 AUTHORITY, SCOPE, AND PURPOSE.

Minnesota Statutes, section 47 71, authorizes the commissioner of commerce to promulgate rules as are reasonably necessary to carry out and make effective the provisions and purposes of the act. Parts 2675 8100 to 2675 8190 relate to the operation of electronic funds transfer terminals and the manner and information required in the submission of applications for authorization, establish minimum technical operation standards, and require disclosure of information to customers using such terminals. Parts 2675 8100 to 2675 8190 establish an application procedure and guide to standards considered reasonable to accomplish the purposes of the act. Further, the act mandates the promulgation of rules to inform, guide, and protect consumers, retailers, and financial institutions in the utilization of electronic financial terminal systems. Parts 2675 8100 to 2675 8190 further set out specific requirements concerning the issuance of cards, disclosures of pertinent required information, and reporting of data relating to financial transactions initiated at electronic financial terminals.

Statutory Authority: *MS s 45 023; 47 71*

History: *22 SR 1711*

2675.8120 APPLICATION FOR AUTHORIZATION.

Any person, other than a state or federal savings association, savings bank or credit union, or state or national bank, seeking approval to establish and maintain a terminal or terminals at a specific location shall, not less than 45 days before the establishment of the terminal or terminals, file with the commissioner an application in a form provided by the commissioner entitled "Electronic Financial Terminal Authorization Application." Such application shall include the following information:

A. name and principal address of the controlling person filing the application,

B. the name and principal address of any other person or persons having control thereof, if other than the applicant,

C. descriptive information, including the number of terminals applied for, the location of each terminal by street address or other designation (including city and county),

D. whether the terminal will be attended or unattended and, if attended, by whose employees or agents as operators;

E. the transactions to be performed at the terminal;

F. schedule of charges to be paid to the provider by those financial institutions sharing the terminal or terminals;

G. a complete description of the physical and technical operation standards pertaining to the terminal, including information and specifications necessary to enable a financial institution that is eligible to share the terminal to obtain interface with the terminal, which description may be limited to the manufacturer, model number, and type of the terminal after a model of a terminal has been certified by the commissioner,

H. operational information, including the manner in which the terminal is activated, anticipated hours of use, anticipated date of first use of the terminal following approval by the commissioner,

I. all agreements used or intended to be used relating to the ownership, operation, and control of the terminal;

J. a description of the safeguards to be used to meet the terminal security requirements of Minnesota Statutes, section 47 68,

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K a description of the procedures to be used to meet the customer privacy requirements of Minnesota Statutes, section 47.69, subdivision 1;

L a description of the procedures to be used to minimize losses due to unauthorized withdrawals from customer accounts by use of a terminal as required by Minnesota Statutes, section 47.69, subdivision 3, including procedures

(1) for the use of a personal identification code as a means of verification of the authenticity of transactions to be completed at a terminal, and

(2) that prevent the personal identification code from being implemented or made available to the customer until the financial institution issuing the card has received the customer's signed contract or the card has been validated according to the procedures for issuance of access devices in Code of Federal Regulations, title 12, part 205.5, Electronic Fund Transfers,

M evidence of the bond or other means adopted to comply with Minnesota Statutes, section 47.64, subdivision 5, and

N certification under oath by the applicant that all requirements of the act and of parts 2675.8100 to 2675.8190 pertaining to the provider of a terminal shall be met and shall be observed.

Statutory Authority: *MS s 45 023, 47 71*

History: *22 SR 1711*

2675.8130 NOTICE TO COMMISSIONER.

Notice to commissioner

A The commissioner shall be given written notice by the applicant not less than 30 days prior to the change of control or change of the operator of any terminal or terminals. For purposes of this item, "operator" does not include individual employees of a provider or retailer

B The commissioner shall be given written notice by the applicant of the termination of terminal operations at the location authorized not more than ten days after termination of all regulated activity

C The commissioner shall be given written notice by the applicant within 15 days following the date on which the applicant relocated an existing terminal less than three miles from its prior location

Statutory Authority: *MS s 45 023, 47 71*

History: *22 SR 1711*

2675.8140 [Repealed, 22 SR 1711]

2675.8150 [Repealed, 22 SR 1711]

2675.8160 CUSTOMER DISCLOSURE REQUIREMENTS.

Subpart 1 **Disclosure information.** Pursuant to Minnesota Statutes, section 47.69, the following information shall be disclosed in writing or by electronic communications agreed to by the customer and by the card issuer to its customer at the time the card is issued or in the event cards meeting the requirements of the act and parts 2675.8100 to 2675.8190 are outstanding (this disclosure shall be made before the customer is allowed to use a terminal)

[For text of items A to H, see M R.]

I a statement that the financial institution shall be liable for all unauthorized withdrawals unless the unauthorized withdrawal was due to the loss or theft of the customer machine readable card, in which case the customer shall be liable, subject to a maximum liability of \$50, for those unauthorized withdrawals made prior to the time the financial institution is notified of the loss or theft. The limitation on liability is effective only if the card issuer is notified of unauthorized charges contained in a bill within 60 days of receipt of the bill by the person in whose name the card is issued,

[For text of items J and K, see M R.]

Subp 2. **Type sizes.** All information required to be disclosed by subpart 1 shall be printed or displayed in not less than eight-point type, 075 inch computer type, or elite size typewritten characters

Subp 3 **Listing.** A directory listing as permitted under the act shall be made available by the applicant at the location of the terminal identifying the financial institutions using its services

Statutory Authority: *MS s 45 023, 47 71*

History: *22 SR 1711*

2675.8180 ADVERTISING, EXCEPTIONS.

For purposes of Minnesota Statutes, section 47 67, notices on the site of a terminal intended to inform the customer of the operational characteristics, source of assistance or service, or fees or charges relating specifically to the use of the terminal are not considered prohibited advertising

Statutory Authority: *MS s 45 023, 47 71*

History: *22 SR 1711*

2675.8190 OTHER PERMISSIBLE ACTIVITIES, ELECTRONIC BENEFITS TRANSFER, CONSUMER CONVENIENCE SERVICES.

The limitation on the financial transactions authorized to be performed at a terminal does not prohibit using the terminal's capability to

A dispense funds authorized and initiated by a government agency solely for the purpose of electronic benefit transfer purposes, or

B deliver other consumer convenience services These consumer convenience services include, but are not limited to, services that affect the payment for and dispense postage stamps, tickets, coupons, phone cards, or other media under agreements with affiliated or nonaffiliated businesses

Statutory Authority: *MS s 45 023, 47 71*

History: *22 SR 1711*