

1.1 **Department of Public Safety**

1.2 **Adopted Exempt Permanent Rules Relating to Driver's License Agents; Credit**  
1.3 **Card Acceptance**

1.4 **7404.0100 DEFINITIONS.**

1.5 [For text of subps 1 to 9, see M.R.]

1.6 Subp. 9a. **Convenience fee.** "Convenience fee" means an additional amount charged  
1.7 to a person's credit card or debit card when the person chooses to pay for a transaction by  
1.8 credit card or debit card.

1.9 [For text of subps 10 to 22, see M.R.]

1.10 **7404.0400 AGENT OFFICE REQUIREMENTS.**

1.11 [For text of subps 1 to 3, see M.R.]

1.12 **Subp. 4. Inventory and equipment.** Inventory and equipment must be maintained  
1.13 in a secure manner during and after business hours.

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

1.15 I. The agent must have an office that is equipped with the technological  
1.16 infrastructure required to process credit card data or debit card data using a card-processing  
1.17 terminal or other hardware provided by the commissioner. "Technological infrastructure"  
1.18 means the physical hardware used to interconnect computers and users. It includes the  
1.19 transmission media and other devices that control transmission paths, and includes the  
1.20 software used to send, receive, and manage the signals that are transmitted. The agent is  
1.21 responsible for the cost for the technological infrastructure.

1.22 [For text of subps 5 to 8, see M.R.]

1.23 **7404.0450 REPORTING AND DEPOSITING PRACTICES.**

2.1 Subpart 1. **Reporting applications; fees.** A report of the applications collected and  
2.2 all application and reinstatement fees due and owed the state must be transmitted by  
2.3 the agent to the commissioner each day the agent's office is open to the public, before  
2.4 the end of the next working day, in an electronic format or other means approved by  
2.5 the commissioner.

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

2.7 I. An agent must file with the commissioner reports of the agent's credit card  
2.8 and debit card transactions for application and reinstatement fees.

2.9 Subp. 1a. Processing credit card and debit card transactions.

2.10 A. At the daily close of office records on each working day, the agent shall  
2.11 settle the batch containing all credit card and debit card transactions conducted that day  
2.12 according to procedures prescribed by the commissioner.

2.13 B. The agent shall store all signed merchant copies of the credit card and debit  
2.14 card receipts for the transaction amount and the convenience fee at the agent's office  
2.15 location and shall maintain all signed merchant copies of the credit card and debit card  
2.16 receipts for the transaction amount and the convenience fee according to subpart 3.

2.17 C. The agent is responsible for all credit card and debit card chargebacks when a  
2.18 person successfully disputes a transaction charged to the person's credit card or debit card.

2.19 Subp. 2. **Depositing application fees.** Before the end of each working day, each  
2.20 agent shall deposit an amount equal to the total of all application and reinstatement fees  
2.21 collected the previous working day, excluding the filing fees collected under Minnesota  
2.22 Statutes, section 171.061, subdivision 4.

2.23 A. The agent shall make all deposits according to the requirements in subpart 2a.

3.1 B. The amount listed for the total of all application and reinstatement fees  
3.2 collected must cover any shortages for any applications processed and stamped as paid,  
3.3 including any unsettled credit card and debit card transactions.

3.4 C. The agent shall process credit card and debit card transactions through the  
3.5 bank designated by the commissioner.

3.6 D. The agent shall authorize the designated bank to deposit the proceeds of the  
3.7 credit card and debit card transactions to the agent's business or personal bank account.

3.8 E. The agent shall transfer an amount equal to all application and reinstatement  
3.9 fees collected the previous working day that were paid for using a credit card or debit card  
3.10 to the state-designated depository, or to a depository approved under subpart 2a.

3.11 Subp. 2a. **Reporting deposits to commissioner.** On the date the deposit of fees is  
3.12 due, the agent shall ensure that a financial statement of the deposits made is reported to the  
3.13 commissioner according to the procedures and in a format as specified in this part.

3.14 A. All deposits must be made in a depository that meets the requirements in  
3.15 this subpart.

3.16 B. The depository must be authorized by the agent to allow the state to  
3.17 electronically withdraw funds from the agent's account in an amount equal to the  
3.18 application and reinstatement fees reported to the state. This item affects only those agents  
3.19 that received authorization before October 1, 2009, for automatic deposit of funds from  
3.20 the agent's bank account to the state depository.

3.21 C. Any depository used for the deposit of fees due and owed the state must  
3.22 either:

3.23 (1) be a state-designated depository; or

3.24 (2) meet the depository and collateral requirements in Minnesota Statutes,  
3.25 section 9.031.

4.1 D. Any funds collected on a working day in excess of the total fees listed on the  
4.2 report described in subpart 1, minus filing fees and imprest cash, must be deposited as  
4.3 application or reinstatement fees.

4.4 [For text of subps 2b to 8, see M.R.]

4.5 **7404.0500 GENERAL OPERATING PRACTICES.**

4.6 [For text of subps 1 to 8, see M.R.]

4.7 Subp. 8a. Credit card acceptance; general requirements.

4.8 A. An agent shall accept credit cards and debit cards as a method of payment  
4.9 for application and reinstatement fee transactions, unless a variance is granted under  
4.10 subpart 8b. The commissioner shall specify the types of credit cards and debit cards that  
4.11 the agent can accept for payment.

4.12 B. Ordinarily, an agent shall operate at least one card-processing terminal in  
4.13 the office at which driver's license transactions are conducted, but an agent may operate a  
4.14 point-of-sale information system, or other similar information system used to process and  
4.15 manage business transactions, if:

4.16 (1) the convenience fee rate that is charged to credit or debit card  
4.17 transactions is the same rate that all agents charge for such transactions;

4.18 (2) the information system meets the requirements of the state's credit  
4.19 card vendor; and

4.20 (3) there is no cost to the commissioner for the operation and maintenance  
4.21 of the agent's information system.

4.22 C. The commissioner shall:

4.23 (1) provide card-processing terminals at no cost to the agent; and

4.24 (2) replace defective card-processing terminals at no cost to the agent.

5.1 D. The agent shall provide the technological infrastructure as specified in part  
5.2 7404.0400, subpart 4, item I.

5.3 E. The commissioner shall provide the agent with signage in an electronic  
5.4 format that states:

5.5 (1) the types of credit cards that the agent must accept for payment of  
5.6 application and reinstatement fees; and

5.7 (2) a convenience fee is added to a transaction paid by a credit card or  
5.8 debit card.

5.9 The agent shall display this signage in a prominent location within the public viewing  
5.10 area of the office.

5.11 F. The agent shall inform a person who chooses to pay by credit card or debit  
5.12 card of the amount of the convenience fee and shall obtain the person's consent to the  
5.13 convenience fee before completing the transaction.

5.14 G. An agent is responsible for chargebacks as specified in part 7404.0450,  
5.15 subpart 1a, item C.

5.16 Subp. 8b. **Credit card acceptance; variance procedure.** An agent may apply to  
5.17 the commissioner for a variance from the provision in subpart 8a requiring acceptance  
5.18 of credit cards and debit cards. A variance to subpart 8a does not include a variance  
5.19 to the technology requirements in part 7404.0400, subpart 4, item I. Application for a  
5.20 variance may be made by submitting a written request to the commissioner according to  
5.21 this subpart. The commissioner shall consider the following factors when reviewing  
5.22 the request for a variance:

5.23 A. the agent's written statement of reasons why credit card and debit card  
5.24 acceptance would impose serious economic hardship;

5.25 B. bank statements from the agent's office for the preceding three months;

6.1 C. the average number and average amount of driver's license transactions  
6.2 conducted in the agent's office during the preceding year; and

6.3 D. additional information requested by the commissioner or supplied by the  
6.4 agent.

6.5 Subp. 8c. **Credit card acceptance; commissioner's review.** The commissioner  
6.6 shall review the agent's request for a variance under subpart 8b and grant it or deny it  
6.7 within 30 calendar days of its receipt, or within 30 calendar days from the date of the  
6.8 commissioner's request for additional information, whichever is later. The commissioner  
6.9 shall give the agent written justification for a decision to deny the variance. Failure of the  
6.10 agent to submit the additional information requested under subpart 8b within 15 calendar  
6.11 days of the request is cause for the commissioner to deny a request for a variance. This  
6.12 procedure is not a contested case hearing as defined in Minnesota Statutes, chapter 14.

6.13 [For text of subps 9 to 11, see M.R.]

# Office of the Revisor of Statutes

## Administrative Rules



**TITLE:** Adopted Exempt Permanent Rules Relating to Driver's License Agents; Credit Card Acceptance

**AGENCY:** Department of Public Safety

**MINNESOTA RULES:** Chapter 7404

The attached rules are approved as to form

A handwritten signature in blue ink, appearing to read "Ryan S. Inman", written over a horizontal line.

Ryan S. Inman  
Assistant Revisor