

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM
Policy # 5.022

Title: **LIMITATION ON SOLICITATION OF STUDENTS
BY CREDIT CARD ISSUERS**

Authority: Board Action

Original Adoption: November 10, 2004

Effective Date: November 10, 2004

Last Revision: Initial

Purpose: To enhance student consumer awareness by placing limitations on credit card solicitations on LCTCS campuses by credit card issuers. This policy is in accordance with the Louisiana College Campus Credit Card Solicitation Law, Revised Statutes, Title 9 § 3577.1 through § 3577.5 as amended

I. Definitions: The following words and phrases when used in this Policy shall have the meanings ascribed to them in R.S. § 3577.2 as follows:

- (1) "College campus" means the premises and grounds of a college under the management of the Board of Supervisors of Community and Technical Colleges.
- (2) "Commissioner" means the commissioner of financial institutions.
- (3) "Credit card" means a writing number or other evidence of an undertaking to pay for property or services delivered or rendered to or upon the order of a designated person or bearer.
- (4) "Institution" or "college" in this policy applies to any institution under the management of the Board of Supervisors of Community and Technical Colleges.
- (5) "Solicitation" means an act of asking, enticing, or request of a student to read review or consider materials relating to an application for a credit card or to complete and application for a credit card.
- (6) "Student" means a person who is under twenty-one years of age and who attends an institution of postsecondary education, whether enrolled on a full-time or part-time basis.

(Added by Acts 1999, No. 1110, § 1.)

II. Responsibilities of the Vendor or Issuer:

A. Registration prior to solicitation; inducements prohibited:

1. Prior to engaging in the solicitation of a student on a college campus, a credit card issuer shall register its intent to solicit the student for that purpose with an appropriate official of the institution of postsecondary education.
2. The registration shall include the principal place of business of the credit card issuer and shall be in such form as required by regulation of the commissioner.

3. It shall be unlawful for any credit card issuer to give, directly or indirectly, orally or in writing any gratuity or other thing of value, or advertise the offering of such as an inducement for a student to read, review, or consider materials relating to an application for credit card, unless the student has been provided a credit card debt education brochure.

Added by the Acts 1999, No. 1110, § 1. Amended by Acts 2003, No. 1010, § 1.

B. Debt collection against parent or guardian prohibited:

It shall be unlawful for a credit card issuer to take any debt collection action, including but not limited to telephone calls or demand letters against the parent or legal guardian of a student for whom a credit card has been issued, unless the parent or legal guardian has agreed in writing to be liable for the debts of the student under the credit card agreement.

Added by Acts 1999, No. 1110, §1.

III. Responsibility of Colleges:

A. Dissemination of information pursuant to R.S. 17:3351.2.

Institutions shall not:

- A. Permit the dissemination of solicitations, advertisements, applications, or information concerning consumer credit cards, as defined in R.S. 9:3516(15), to undergraduate students during registration for classes.
- B. Permit any employee of the institution to disseminate solicitations, advertisements, applications, or information concerning consumer credit cards, as defined in R.S. 9:3516(15), to undergraduate students at any time.
- C. Provide to an extender of credit, as defined in R.S. 9:3516(18), for compensation or consideration of any kind any student information.

B. If a college allows credit card vendors on a campus to solicit, the college shall limit the number of credit card solicitors to no more than two trademark vendors per year, and allow each vendor to solicit on campus no more than once per year. Institutions shall select vendors according to a College approved plan. Each college shall maintain a college approved plan for selection of credit card vendors.

C. Each College of the LCTCS shall designate an official for registration by a credit card issuer of its intent to solicit on any particular campus; the campus shall maintain the name and contact information of that designated official on file and accessible to the issuer.

D. All colleges must be in compliance with R.S 17L:3351.2 and the Louisiana College Campus Credit Card Solicitation Law, Revised Statutes, Title 9 § 3577.1 through § 3577.5 as amended