



Consumer Issues

Fall 1999

Vol. 10, No. 4

Credit Cards and Minimum Charge Limits

Have you ever wanted to charge an item using a bank credit card associated with Mastercard or VISA and paid cash because the merchant posted a sign with a minimum charge amount or refused to complete the transaction? Many store owners are violating (perhaps unknowingly) the agreement with MasterCard and VISA when they post such notices or refuse to complete a transaction below a particular dollar amount. If merchants refuse to complete transactions because you do not meet the minimum purchase amount, you have several options—pay cash or take your business to another store. You can also file a complaint and report the merchant to VISA or MasterCard. If you choose to file a formal complaint, first contact the customer service department of the issuing bank of your credit card. They will be able to assist you with the matter.

Keep in mind that merchants who accept VISA and MasterCard for payment must pay fees to their bank and to MasterCard International and VISA International for the services associated with processing credit card transactions. A typical arrangement might be the merchant has to pay their bank a percentage of the gross monthly sales made with credit cards. In addition, they may also have to pay VISA or MasterCard International a fee for each sale or transaction completed with a credit card. Thus, each time you use your credit card, the merchant is charged a fee for the transaction and a percentage of the gross sale amount goes to the merchant's bank to cover costs associated with processing charges.

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Avoid the Buried in Bills Syndrome

As the holiday season approaches, the best of intentions not to overspend and face a mountain of bills in January could be sabotaged by friends, families or a cute television commercial. Making a spending plan and sticking to it is one way to stay on track. If that hasn't worked for you in the past, try this. Make copies of billing statements from November and December 1998 and January 1999, enlarge them, circle the amount due in red and post them in a somewhat private place where you can see them each day (i.e., your closet, nightstand, personal calendar). Copies of checks written to creditors or merchants could also be used. If that helps you recall feelings of despair from previous years, this could prevent you from overspending again this holiday season.

**A lot of folks who are
worrying about the future ought
to be preparing for it.**

Gifts for Emergencies

Searching for a gift that's unique? Looking for something that shows you care? Check out this list of emergency essentials. They make perfect gifts for birthdays, holidays, or your own special occasion! Not only are these items practical and inexpensive, but they can help your friends and family be better prepared for an emergency. For additional gift ideas, see the camping section of a local store, camping catalog or search the internet using the keyword camping supplies. Many of the items used during emergencies are used on camping trips.

- ✦ Aluminum foil
- ✦ Batteries
- ✦ Battery-operated smoke alarm/detector
- ✦ Blankets
- ✦ Bleach
- ✦ Board games
- ✦ Camp stove
- ✦ Carbon monoxide detectors
- ✦ Emergency light sticks
- ✦ Fire extinguisher
- ✦ First aid kit
- ✦ Flashlight bulbs
- ✦ Gallons of bottled water
- ✦ Hand & body warmers
- ✦ Jigsaw puzzles
- ✦ Lamps and lamp oil
- ✦ Lantern/flashlight
- ✦ Long burning candles
- ✦ Matches in a waterproof container
- ✦ Non-electric can opener
- ✦ Paper cups, plates, and bowls
- ✦ Paper towels
- ✦ Plastic forks, spoons, knives
- ✦ Plastic storage containers
- ✦ Products used daily
- ✦ Ready to eat foods with 3-6 month shelf life
- ✦ Sewing kit (including needles, thread, scissors)
- ✦ Smoke detectors
- ✦ Sterno
- ✦ Tarps or plastic sheeting
- ✦ Toilet paper

Offer your services for items such as:

1. Organizing financial records
2. Setting up a record keeping system
3. Demonstrate how to shut off gas and water supply

Money Measures for the Next Millennium

If you have been procrastinating or "getting around to" organizing your financial matters for years, this article is for you.

Folks who "put off" doing certain tasks may do so because they do not have large blocks of time to start and end the task at one sitting, don't know where to start, or just plain dread doing it. Now is the time to lift the weight of one task from your shoulders and your mind. Make a list of only 12 things you want to do related to managing your money. Complete one new task each month. By the time the next millennium arrives, the year 2001, you will be pounds lighter! Listed below are some dreaded money matters that folks "put off" doing to a later date. Use the list to get you started. Some items listed can be broken into smaller steps. Customize your list by adding your own and deleting things you've already conquered. **Do it now.** If you don't start now, when will you start?



- ✓ Balance the checkbook
- ✓ Discard outdated money records
- ✓ Make a calendar of bills and due dates
- ✓ Track expenses for 2-6 months
- ✓ Computerize family finances

Traveler's Checklist—

How many times have you started on a weekend trip or longer vacation and remembered something you forgot to do when you were hundreds of miles from home? In the excitement of getting ready for a trip, folks have been known to leave the garage door up, forget to stop mail and newspaper service, or to inform close family members of their whereabouts in case of an emergency. You can reduce the risk of falling victim to vacationer's forgetfulness by using a checklist to help you manage. Make copies of this list or post it inside a cabinet door for use as needed. Include it with a gift to friends and family who travel a great deal. Make copies for yourself. Whenever you have a trip coming up, date a copy and check off items as you complete them. While the list does not include everything you might need, it will reduce the number of things you forget to do or to pack when taking a vacation.

Home Checklist

- Arrange for care of pets and lawn and house plants
- Arrange for recycleable garbage pickup
- Eliminate possible fire hazards (unplug appliances, etc.)
- Empty refrigerator
- Have Post Office hold mail
- Leave house key and trip itinerary with a neighbor
- Lock all doors and windows
- Notify local police of your absence
- Set-up a timed lighting system
- Stop newspapers
- Stop regular deliveries (dry cleaning)
- Store valuables in a safe place
- Turn down thermostat
- Turn down water heater
- _____
- _____

Pre-departure

- Cash/credit cards
- Emergency information
- Guide books and maps
- Health documentation
- Hotel reservations
- Insurance
- Passport/Visa
- Personal identification
- Photocopies of key documents
- Special event reservations (art, popular festivals, sporting events)
- Transportation tickets
- Traveler's checks
- Trip cancellation/medical insurance
- _____
- _____

Toiletries

- Comb/brush
- Dental floss
- Deodorant
- Hair dryer
- Make up
- Manicure articles
- Mirror
- Shampoo/conditioner
- Shaving cream
- Skin care lotions/creams
- Soap — personal & laundry
- Sunscreen/lip balm
- Toothbrush/paste
- Towel/washcloth
- Towelettes
- _____
- _____

Medication

- Antibiotic cream
- Aspirin/pain reliever
- Contact lens or eyeglasses prescription
- Cold medicine
- Contact lens solution
- Diarrhea medicine
- Insect repellent
- Laxative
- Motion sickness medicine
- Personal hygiene items
- Personal prescriptions
- Sunburn relief
- Sunscreen
- Vitamins
- _____
- _____

Basics

- Address book
- Camera/film
- Clothing
- Folding umbrella or raincoat
- Footwear
- Games/playing cards
- Luggage I.D. tags
- Luggage/travel pack
- Reading materials
- Travel journal
- Travel lock
- Video camera/tapes
- _____
- _____



Attention Homeowners: Cancel Needless Mortgage Insurance!!!

Homeowners can save hundreds of dollars a year thanks to a law that makes it easier to cancel private mortgage insurance (PMI). PMI is an insurance policy that protects lenders from losses on low down-payment loans. Lenders typically require PMI for borrowers who make a down payment of less than 20% of the home value.

Under the Homeowners Protection Act of 1998, a PMI policy will be terminated automatically once a homeowner's equity reaches 22% of the property value at the time the mortgage was executed. If a homeowner has a good payment history and can prove that the equity in their home has grown to 20% of the current market value, earlier terminations can be requested. Before this law, lenders could continue to collect payments long after substantial equity had been built up in the home.

This law is now in effect for new residential mortgages and mortgage refinancing originating on or after July 29, 1999. For more details, contact your mortgage lender or the company where you send your mortgage payments.

Sources: Consumer News and Reviews, July-August 1999, pg. 2. FDIC Consumer News, Summer 1999, p. 13.

Driving Privileges Revised for Pennsylvania Teens

Teen driving fatalities and injuries are on the rise. To address this issue House Bill 10—Graduated Driving Licensing (GDL) was signed by Governor Tom Ridge in June. The law requires the following of young drivers:

- a six-month period while a 16- or 17-year-old holds a learner's permit,
- 50 hours of adult-supervised, behind-the-wheel experience,
- the supervising adult must be at least 21 years old,
- a 90-day suspension for a conviction of driving violations before age 18,
- when the driver is under age 18, the number of passengers cannot exceed the number of seat belts,
- the driving curfew for junior license holders will run from 11 p.m. until 5 a.m.

The last two conditions of the law are effective now, while the remaining conditions will go into effect December 25, 1999. These changes to the licensing system make Pennsylvania's teen driver program one of the strongest in the nation.

Source: AAA World, September/October 1999, p. 20.

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