

STATE OF MINNESOTA  
MINNESOTA HIGHER EDUCATION COORDINATING BOARD

In the Matter of the Proposed Rules  
Governing Foreign Student Assistance  
Program, State Grants, Work Study Grants,  
and Prenursing Grant Program (Minn. Rules  
4800.8100-4800.8800, 4830.0200-4830.0600,  
4830.2300-4830.2600, 4830.8510-4830.8580)

STATEMENTS OF NEED  
AND REASONABLENESS

**SECTION I: AUTHORITY TO PRESCRIBE RULES**

The Minnesota Higher Education Coordinating Board is authorized by statute to adopt policies and prescribe rules and regulations for student financial aid programs, including state grants, foreign student assistance, work study grants, and prenursing grants [Minnesota Statutes 1990, 136A.04, Subd. 1(9) and 136A.16].

**SECTION II: BACKGROUND**

Most of the proposed changes are due to 1991 statutory changes. In order that the rules correctly reflect the current statutory regulations, the rules must be changed through the proposed rulemaking action. Minor grammatical and punctuation changes are to "clean up" the current language for clarity and understanding. Sections governing types of foreign student assistance no longer operationable due to statutory repeal have been deleted for clarity and correctness. Appropriate language changes have been made to reflect current operating procedures, and to ensure that all students are treated equitably in the determination of eligibility for state financial aid programs. Modifications, additions, or deletions to current rules protect the rights of all students applying for such assistance, and attempt to clarify program operations for financial aid officers handling the disbursement of state financial aid monies to eligible students.

**SECTION III: PROPOSED CHANGES**

The proposed changes to current rules are summarized below:

**Foreign Student Assistance Program**

- \* Delete subpart defining the allocation formula since the Board no longer makes allocations for any type of foreign student assistance. The statutory language pertinent to any such allocations was repealed in 1983.
- \* Delete words "grant-in-aid" and add "grant." This is due to a statutory change when referencing the State Grant Program.

- \* Delete the incorrect numbering and add the correct numbering of the agency rules pertaining to "eligible institutions" due to the re-numbering of the rules. This is necessary for citation correctness.
- \* Delete the definition of "participating institutions" since the type of assistance referenced in the definition is no longer available due to the repeal of statutory language.
- \* Delete words "grant-in-aid" and add "grant." This is due to a statutory change when referencing the State Grant Program.
- \* Delete definition of "unexpected financial needs". This definition is no longer pertinent to the remaining type of financial assistance under this program.
- \* Delete language referring to specific duties and actions of the executive director related to types of assistance no longer operational due to statutory repeals.
- \* Delete words "grant-in-aid" and add "grant." This is due to a statutory change when referencing the State Grant Program.
- \* Delete section on "unexpected financial need" because this type of assistance was statutorily repealed.
- \* Delete section on "terms of loans and grants" due to statutory repeal. All pertinent repayments to the Board have been made, and therefore this section is unnecessary.
- \* Delete section on "allocation of funds" because the Board no longer makes any program allocations to institutions. All such types of assistance have been terminated by statutory repeal.
- \* Delete section on "disbursement of funds" because the Board no longer makes any disbursements to institutions due to statutory repeal of any such assistance.

#### State Grants

- \* Delete words which allow an exception to one of the requirements for student eligibility. This change is required by statute and clarifies the student eligibility requirements for this program.
- \* Delete and add language pertaining to the type of program a student must be pursuing for state grant eligibility. This change is to avoid confusion and to clarify this eligibility requirement.
- \* Delete/add conjunction "and" for grammatical purposes.
- \* Add requirement that a state grant initial awardee must not be more than 30 days in arrears for any child support payments or is complying with a payment plan for arrearages. This is a statutory change.

- \* Add and delete language pertaining to "satisfactory academic progress," which is necessitated by a statutory language change.
- \* Add requirement that a state grant renewal awardee must not be more than 30 days in arrears for any child support payments or is complying with a payment plan for arrearages. This is a statutory change.

#### Work Study Grants

- \* Delete and add language specifying item letters pertaining to student eligibility for completeness and correctness of reference.
- \* Delete the number "20" and add the number "30" in the subpart on "hourly wages" due to statutory change.

#### Prenursing Grants

- \* Add language specifying minimum award amount for clarity, and to reflect current program operating procedures.

## **CHAPTER II: Part-by-Part Explanation**

This chapter provides an explanation for each proposed change to the rules relating to financial aid programs, including state grants, foreign student assistance, work study, and prenursing grants.

### **FOREIGN STUDENT ASSISTANCE PROGRAM**

#### **4800.8100 DEFINITIONS.**

Subpart 2. **Allocation formula.** Deletion due to statutory repeal of type of assistance necessitating this definition. [136A.144 repealed, 1983 c 258 s 72]

Subpart 3. **Eligible institution.** Deletion due to statutory change when referring to the state grant program (136A.121). Deletion and addition of reference number to agency rules is for correctness due to renumbering.

Subpart 9. **Participating institution.** Deletion due to statutory repeal of type of assistance necessitating this definition. [136A.144 repealed, 1983 c 258 s 72]

Subpart 12. **Total cost of education.** Deletion due to statutory change when referring to the state grant program. (136A.121)

Subpart 14. **Unexpected financial needs.** Deletion due to statutory repeal of type of assistance necessitating this definition. [136A.144 repealed, 1983 c 258 s 72]

#### **4800.8300 EXECUTIVE DIRECTOR.**

Deletion of tasks no longer performed by the executive director are due to statutory repeal of type of assistance necessitating such activities. [136A.144 repealed, 1983 c 258 s 72]

#### **4800.8400 GRANTING RESIDENT STATUS.**

Subpart 2. **Scholarship and grant recipients.** Deletion for consistency of language used within this subpart.

4800.8500 **UNEXPECTED FINANCIAL NEED.** Deletion due to statutory repeal of this type of assistance. [136A.144 repealed, 1983 c 258 s 72]

#### **4800.8600 TERMS OF LOANS AND GRANTS.**

Subpart 1. **Conversion of loan to grant.** Deletion due to statutory repeal of types of assistance necessitating this subpart. [136A.144, 136A.145, 136A.146 repealed, 1983 c 258 s 72]

Subpart 2. **Procedures.** Deletion due to statutory repeal of types of assistance necessitating this subpart. [136A.144, 136A.145, 136A.146 repealed, 1983, c 258 s 72]

Subpart 3. **Note and interest.** Deletion due to statutory repeal of types of assistance necessitating this subpart. [136A.144, 136A.145, 136A.146 repealed, 1983, c 258 s 72]

Subpart 4. **Accelerated payment.** Deletion due to statutory repeal of types of assistance necessitating this subpart. [136A.144, 136A.145, 136A.146 repealed, 1983, c 258 s 72]

Subpart 5. **Board repayment.** Deletion due to statutory repeal of types of assistance necessitating this subpart [136A.144, 136A.145, 136A.146 repealed, 1983, c 258 s 72], and all applicable repayments have been made to the Board.

Subpart 6. **Reports.** Deletion due to statutory repeal of types of assistance necessitating this subpart. [136A.144, 136A.145, 136A.146 repealed, 1983, c 258 s 72]

#### 4800.8700 ALLOCATION OF FUNDS.

Subpart 1. **Notice of availability.**  
Subpart 2. **Request for participation.**  
Subpart 3. **Allocation formula.**

Deletion of these three subparts is due to statutory repeal of the type of assistance necessitating these subparts. [136A.144 repealed 1983, c 258 s 72]

#### 4800.8800 DISBURSEMENT OF FUNDS.

Deletion of this section is due to statutory repeal of the type of assistance necessitating this section. [136A.144 repealed, 1983, c 258 s 72]

### STATE GRANTS

#### 4830.0400 APPLICATION DATES AND STUDENT ELIGIBILITY.

Subpart 4. **Eligibility for initial grant.** First deletion is for correctness to reflect current program eligibility requirements. Deletion and addition of new language to subpart 4C is to clarify the type of program a student must be pursuing for state grant eligibility to avoid confusion and ensure the equitable treatment of students applying for a state grant. Addition to subpart 4D is for correct punctuation and grammatical correctness. Addition of subpart 4E is due to a statutory change. (136A.121, subd. 2)

Subpart 5. **Renewal awards.** Additions and deletions in subpart 5B are necessary to incorporate statutory language change. (136A.101, subd. 10)

Subpart 5a. **Child support arrearages.** This added subpart is due to statutory language change. (136A.121, subd. 2)

**WORK STUDY GRANTS**

**4830.2300 WORK STUDY GRANTS**

Additions and deletion are for completeness and correctness of student eligibility requirements under this program, and to ensure the equitable treatment of all students applying for assistance from this program.

**4830.2400 EMPLOYMENT TERMS; AMOUNT OF GRANTS.**

Subpart 3. **Hourly wages.** Change of percentage from 20 percent to 30 percent is due to statutory language change. (136A.233, subd. 3)

**PRENURSING GRANTS**

**4830.8550 AWARDS.**

Addition is for clarity, to ensure the equitable treatment of all students receiving awards under this program, and to reflect current program operating procedures.