

STATE OF MINNESOTA
MINNESOTA HIGHER EDUCATION COORDINATING BOARD

In the Matter of the Proposed Rules
Governing Definitions for Higher
Education Programs (Minn. Rules
4830.0100)

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. [Minnesota Statutes 1990, 136A.04, Subd. 1(9) and 136A.16].

SECTION II: BACKGROUND

Several 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. Additional terms have been defined to clarify statutory changes that have affected the administration of post-secondary financial aid programs administered by the Higher Education Coordinating Board. Also these terms have been added to ensure uniform, equitable treatment of all students applying for state financial aid programs administered by the Board; and 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:

Definitions for Higher Education Programs

- * Add definitions for "academic year," "certificate program," "designated rural area," and "full-time" to aid in program administration and to clarify these terms as they apply to various financial aid programs administered by the Board.
- * Add and delete language defining "eligible student" to reflect the statutory language change which now defines "satisfactory academic progress."
- * Add a phrase clarifying student eligibility as it pertains to residency for Minnesota high school graduates who are residents of a bordering state. This is a statutory change.

CHAPTER II: Part-by-Part Explanation

This chapter provides an explanation for each proposed change to the rules relating to Definitions for Higher Education Programs.

4830.0100 DEFINITIONS FOR HIGHER EDUCATION PROGRAMS

Subpart 1a. **Academic year.** Addition is made to clarify the time period requirements for attendance as it applies to state financial aid program eligibility, and is necessary because the term is used in statutory language, but is currently undefined. This addition ensures that all students are treated equitably when the financial aid officer must enforce statutes and agency rules governing state financial aid program requirements as they relate to a student's attendance pattern for an "academic year".

Subpart 2a. **Certificate program.** The addition is to clarify program requirements as they relate to state financial aid program eligibility, and to ensure equitable treatment of students applying for financial aid where this definition is pertinent in the determination of award eligibility.

Subpart 3a. **Designated rural area.** Due to a statutory change, the Board has responsibility for defining "designated rural area," and therefore it is appropriate to add this definition to agency rules. (136A.1352, subdivision 1, and 136A.1355, subdivision 1)

Subpart 5. **Eligible student.** Additions and deletions are due to added subdivision to statutory language defining "satisfactory academic progress." (136A.101, subd. 10)

Subpart 8a. **Full-time.** The addition is to ensure that students and financial aid officers understand the number of credits necessary in order to be considered a "full-time" student for state financial aid purposes. Due to a statutory change, the required number of credits to be considered full-time for purposes of the State Grant Program will change in 1992 (136A.101, Subd. 7a). To provide consistency and continuity of eligibility requirements for other types of grant assistance administered by the MHECB, this definition uses the statutory definition added by the 1991 MN legislature when defining full-time attendance requirements, with the exception of the State Work Study Program. The State Work Study Program typically assists students who do not demonstrate sufficient financial need for grant assistance, but demonstrate need for some type of financial assistance. In an attempt to be responsive to the concerns of such students, the Board feels it appropriate to maintain the current credit load requirement of 12 credits per term for purposes of the State Work Study Program when the statutory requirement of 15 credits per term becomes effective 7/1/92. This exception will permit more students demonstrating some need for financial assistance to participate in the State Work Study Program.

Subpart 10. **Minnesota resident.** Addition is due to statutory language change. (136A.101, subd. 8)