

10/11/93



# Office of the Secretary of State State of Minnesota

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St. Paul, MN 55155-1299

**Joan Anderson Growe**  
*Secretary of State*  
**Elaine Voss**  
*Deputy Secretary of State*

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October 6, 1993

Maryanne V. Hruby  
Executive Director  
Legislative Commission to Review Administrative Rules  
Room 85, State Office Building  
St. Paul, Minnesota 55155-1201

Dear Ms. Hruby:

Enclosed for filing please find a copy of the Statement of Need and Reasonableness in support of proposed rules regarding international student exchange organizations. This filing is made pursuant to *Minnesota Statutes* Section 14.131. The rules will be published in the *State Register* on October 11, 1993.

Should you need further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Joan A. Growe".

Joan Anderson Growe  
Secretary of State

JAG/kae

Enclosure

**The Legislative Commission to  
Review Administrative Rules**

OCT - 6 1993



STATE OF MINNESOTA

OFFICE OF THE SECRETARY OF STATE

In the Matter of the Proposed  
Rules regarding International  
Student Exchange Organizations

STATEMENT OF NEED  
AND REASONABLENESS

**Introduction**

The Office of the Secretary of State was given the responsibility to register international student exchange visitor placement organizations by the 1993 Legislature. This new registration is intended to provide students, potential host families, schools and other sponsoring organizations with a method for screening organizations which place students from a foreign country in Minnesota for academic purposes. The rules which this statement of need and reasonableness supports are created to implement this new program and to state its method of operation to all affected parties.

**Statutory Authority**

The statutory authority for the adoption of these rules is *Minnesota Statutes* Sections 5A.04 and 14.06.

**Section by Section Justification**

**General**

There is a need to have rules which govern the operation of this new registration program for international student exchange visitor placement organizations. These rules are intended to provide direction to all potential participants in a student exchange regarding their roles and the information and support they can expect to receive as part of the registration process.

**3650.0010 Definitions**

As the international student exchange organization registry (registry) applies throughout the State and affects organizations outside of the State, definitions are needed

so that all participants in the registry process have the same basis for understanding the rules.

Subpart 2 defines "CSIET." CSIET or the Council on Standards for International Educational Travel is an organization which certifies international student exchange organizations. The definition is needed because some participants in the registry process are familiar with CSIET but others are not. The definition is reasonable as the acronym is used on a regular basis by participants in the registry process and the organization is mentioned in the enabling legislation.

The CSIET approval letter is defined in subpart 3. CSIET certifies organizations which meet their standards for conducting international student exchange programs. The approval letter is CSIET's indication that the organization has met CSIET's standards. The definition is needed as an organization may use the approval letter to indicate that it has complied with Minnesota's standards for the conduct of international student exchanges. The definition is reasonable as CSIET is already recognized as a leader in the review of international student exchange organizations and the conduct of their programs.

CSIET standards are defined in subpart 4. This definition is needed because an international student exchange organization may meet Minnesota's requirements by complying with CSIET standards. The definition is reasonable as organizations need to know where to find these standards so that they can determine what issues they need to address to be certified by CSIET.

Subpart 5 defines "host family." This definition is needed as the group of people in Minnesota who furnish housing, meals and other support to the international student is an integral part of the international exchange process. This is a reasonable definition because all participants need to understand their roles in the international student exchange process.

The international student's "immediate family" is defined in subpart 6. This group of people send the student to participate in the educational and cultural exchange program in Minnesota and have primary responsibility for the continuing care and growth of the student. The definition is needed and reasonable to help all of the participants to understand their roles.

An "international student exchange visitor" has one of the primary roles in the exchange process. The definition in subpart 7 is needed so that international student exchange organizations know which students and programs are covered by Minnesota law. The definition is reasonable

because the applicability of the legislation and rules must be clear for all participants.

Subpart 8 defines the "international student exchange visitor placement organization." This is needed to describe what activity in the State of Minnesota will require an organization that matches students from another country with Minnesota academic and cultural experiences to register. The definition is reasonable because organizations need to know if they must register in Minnesota.

"Nonimmigrant visa" is defined in subpart 9 and is needed to clarify what types of students are covered by the registry process. The definition is reasonable as it identifies the appropriate visas issued by the United States which cover academic activities.

Subpart 10 defines "organization" to mean an international student exchange visitor placement organization and is needed so that the entire phrase does not always have to be used when referring to the organizations covered by these rules. The definition is reasonable in that it refers to a term which is also defined in these rules.

"Responsible officer" is defined in subpart 11 and is needed so that there is one person who is responsible for assisting and monitoring each student who is placed in Minnesota. It is reasonable to provide a main contact person for students so that they know to whom they may turn for assistance in daily living situations as well as emergencies. The definition is reasonable as it describes and clarifies the role of this person in the registry process.

The next definition is of the "responsible officer address." It is found in subpart 12 and is needed so that all understand what type of address is acceptable on an application form. The definition is reasonable as students and host families need to have a physical location where they can go to review records maintained by the responsible officer.

"School" is the next definition and is found in subpart 13. The definition is needed because students may be placed in any type of academic institution as part of an organization's program and the international student exchange organizations and schools need to know what institutions are covered by the legislation and rules. It is reasonable to make it clear that both public and private elementary and secondary institutions are covered.

Subpart 14 defines the term "secretary" as the Minnesota secretary of state or an authorized employee.

to provide the orientation in the manner best suited to their program. The rule requires that information about Minnesota's climate and culture be provided to the student and information about the student and his or her native land to the host family and this is reasonable because the academic and cultural experiences a student and host family will have are an integral part in a successful exchange experience.

Subpart 3 requires insurance coverage for participating students, a logical component of any exchange program. The rule is needed so that the minimum amounts of health and accidental death benefits required by the United States Information Agency are provided to students. The amounts and types of coverage are reasonable in that they provide minimum coverage. Information about the claims process and claims forms need to be provided to students as it is likely that they will become ill during the course of their stay in Minnesota. It is reasonable to provide the claims information at the beginning of the experience so that students know how the process works prior to an illness. The record maintenance requirements showing proof of coverage are needed to demonstrate that the student is covered and are a reasonable way to demonstrate coverage.

Written acceptance by a school is the subject of the subpart 4. Written acceptance of enrollment provides proof that the person is a student, a requirement needed for the nonimmigrant visa as well as participation in the program. This rule is reasonable as it enforces this criteria for student eligibility without placing an undue burden on the student, school or organization to demonstrate enrollment. Copies of the enrollment acceptance are needed by the organizations to document that the student is in fact a student and eligible to be in this country on the nonimmigrant visa. A copy of the enrollment letter is a reasonable way to meet the proof requirement as it is not expensive for the organization to obtain.

Selection of a host family is another critical element in the success of a student exchange. Subpart 5 is needed to outline the steps an organization must take in determining that a family is a suitable host for a student from another country. Permission to conduct a criminal background check is one of the elements of host family screening which is required by the enabling legislation. The rule is needed to identify which members of the host family must give permission for the background check to be conducted. The records required by the subpart are all needed to demonstrate compliance with the statutes and to protect the student by ensuring that the selection of the host family was done in an orderly and informed way by the organization. The subsections of this rule are reasonable as they are all designed to ensure that a student from

another country is placed in a home where he or she will be treated with appropriate care and receive the support that is needed to make the exchange experience a positive one.

Minimal housing requirements for the exchange student are in subpart 6 of this rule. These requirements are needed so that the international student is afforded some privacy within the host family and a generally safe environment. The rule is reasonable because the requirements are those which any reasonable family would adopt in providing for the health and welfare of its members.

In some cases, a change in a host family assignment may have to be made. Subpart 7 is needed to provide a mechanism for information to be provided to all participants in the exchange should such a reassignment become necessary. Records of the change need to be kept so that there is a way to verify that all of the involved parties have been informed of the change. The rule is reasonable because it permits the reassignment of a student while keeping all interested parties informed of the student's whereabouts and living conditions.

An international student exchange is intended to be an academic and cultural experience for the student, not a means for a family to obtain unpaid household domestic help. Limitations on the student's employment such as those found in subpart 8 are needed to foster the primary purposes of the exchange while recognizing that the student may need to take an occasional job to earn spending money. The rule is reasonable because it recognizes the need to earn spending money while prohibiting regular employment.

Supervision by the organization is needed to make sure that the student is safe and is not having problems at school or in the host family. Subpart 9 is reasonable as the safety of the student is of paramount importance; as the organization is the sponsor of the student's experience, it needs to be in constant contact with the student to ensure that safety is maintained.

Travel arrangements are made the responsibility of the organization by subpart 10. The rule is needed so that the students have specific travel plans and that the immediate family, as well as the organization, know those travel plans. The transportation needs to be round-trip in nature so that the student meets the requirements of the nonimmigrant visa. Records of the travel arrangements are needed by the organization to ensure that compliance with visa requirements are met and that students do, in fact, have a way to return home. The rule is reasonable in that the organization is again in the role of supervisor and coordinator of the student's experience and getting to and

from the State of Minnesota is a necessary part of the experience.

Information is also part of the exchange experience and the rule is needed to detail what information must be provided and to whom. Subpart 11 is reasonable as it details the organization's responsibilities to provide basic information about the program and any applicable fees. This information is needed by all participants to evaluate the program and a potential student's participation in it.

The maintenance of records concerning a student and his or her participation in an organization's program is the topic of subpart 12. Recordkeeping is needed to document the various requirements of the standards established by the governing bodies including USIA, CSIET and the State of Minnesota. The rule is reasonable to identify the parties involved, document the legality of each student's entry into the United States and Minnesota and to document the various protections for the student such as insurance, school enrollment and travel arrangements. The records must be kept for at least one year after the student leaves Minnesota; this is reasonable because it is within the amount of time the United States Information Agency requires organizations to keep records.

#### **3650.0030 Registration elements**

The responsible officer of an organization is the person in the United States who has primary responsibility for the students placed in the State of Minnesota. Subpart 1 of the rule is needed to detail the requirements this person must meet to be of service to students placed in Minnesota. The rule is reasonable because the requirements are minimal yet ensure some contact with the students placed in Minnesota.

The responsible officer or the officer's address may need to be changed during the course of the registration period and so a rule is needed to provide for this eventuality. A deadline for changing the record is also provided and requires that a filing be made within 30 days after the change has occurred. Subpart 2 is reasonable because it provides a mechanism for and encourages the updating of records in the Office of the Secretary of State without causing an undue burden on the organization making the change.

A responsible officer may need to resign and so subpart 3 of the rule provides the needed mechanism. It is reasonable to provide such a mechanism as a person designated as the responsible officer may need to relinquish these responsibilities.

It is also necessary to designate the duties of the responsible officer. These duties are minimal in that they revolve around the recordkeeping function described earlier in these rules. Subpart 4 is reasonable in that these designated duties are focused on recordkeeping functions and are specific as to the expectation of performance of the responsible officer.

To assist students with problems or emergencies, the enabling legislation requires that each organization maintain an in-state telephone number which is answered 24 hours a day. Subpart 5 is needed to detail telephone requirements in addition to those listed in the statute by including toll-free telephone numbers which may be answered outside of the state but which are answered 24 hours a day. The rule is reasonable in that the goal of the telephone number is to give students access to help 24 hours a day. Whether the telephone is answered in the state or outside the state, the assistance can still be provided.

The contents of the application form are the topic of the subpart 6 of the rule. The part is needed to inform organizations who wish to register in Minnesota what information is required. The rule also indicates that the registration is valid for a period of one year. This is a reasonable rule because organizations need to know what is required of them to meet Minnesota's law.

As the registration is valid for a one year period, a rule is needed to allow for renewal of the registration. Subpart 7 also details that the registration form must be completed again and a fee paid. The rule is reasonable because organizations need to know how to keep their registrations valid in the State of Minnesota.

There is a cost for the creation and operation of this registry. Subpart 8 is needed to establish the fees which must be collected to cover the cost of operations. The fees are reasonable in that they recover the larger one-time costs of creating the registry in the initial license fee and then recover the on-going costs of the operation in the renewal fee amount. The fees do not exceed the statutory cap found in *Minnesota Statutes* Section 5A.04(b). The fees have been approved by the Department of Finance.

#### **3650.0040 Termination and Revocation**

An organization needs the ability to terminate its registration in the State of Minnesota. The secretary needs the ability to revoke an organization's registration if they do not comply with the statute and rules. This part of the rule details when termination or revocation will occur. It also details the organization's responsibilities to any students placed in Minnesota at the time of the termination



or revocation. The rule is reasonable in that it provides a method for an organization to relinquish its registration while honoring its obligations to the students it has placed in Minnesota.

**Small Business Considerations.** There are no small businesses who will use the registration process for international student exchange organizations and so the provisions of *Minnesota Statutes* section 14.115, subdivision 2 do not apply.

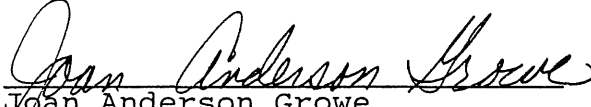
**Expenditure of Public Money by Local Public Bodies.** The adoption of these rules will not require the expenditure of public monies by local bodies. Therefore, *Minnesota Statutes* section 14.11, subdivision 1 is not applicable.

**Fee approval by Department of Finance.** The fees set by part 3650.0030, subpart 8 of these rules were approved by the Department of Finance on August 13, 1993 pursuant to *Minnesota Statutes* section 16A.1285. A copy of the approval is attached to this Statement of Need and Reasonableness.

### Conclusion

Based on the foregoing, the proposed rules on the international student exchange program registry are needed to address the issues raised by the new program and the needs of the affected participants. The proposed rules are reasonable as they address the specific needs of the customers now and in the future by providing detailed information about filing requirements for the international student exchange organization registry.

Dated: October 4, 1993

  
Joan Anderson Growe  
Secretary of State

**Office Memorandum**

Department: of Finance

Date: August 13, 1993

To: George Beck, Administrative Law Judge Supervisor  
Office of Administrative Hearings**RECEIVED**From: Michelle Harper  
Budget Operations 

AUG 18 1993

Phone: 296-7838

SECRETARY OF STATE

Subject: Departmental Earnings Rate Change Response - Int'l Student Exchange Fees

Pursuant to provisions of Laws 1993, sec. 56, subd. 5 (M.S. 16A.1285), the Department of Finance has reviewed and approved the attached departmental earnings proposal submitted by the Secretary of State on 8/11/93. If you have any questions or concerns, please call me at the above number.

cc: Katie Engler, Secretary of State ✓  
Mike Rajacich

Department of Finance

**Departmental Earnings: Reporting/Approval (Cont.)**

(\$1,000,000 = 1,000)

Part B: Fiscal Detail

APID: 16200:02-10	AID: 148015	Rev. Code(s): 300			<input checked="checked" type="checkbox"/> Dedicated	<input type="checkbox"/> Non-Dedicated	<input type="checkbox"/> Both
Item	F.Y. 1991	F.Y. 1992	F.Y. 1993	F.Y. 1994 As Shown in Biennial Budget	F.Y. 1995 As Shown in Biennial Budget	F.Y. 1994 As Currently Proposed	F.Y. 1995 As Currently Proposed
<b>Revenues:</b>							
Initial Registration	0	0	0	0	0	6	0
Renewal Registration	0	0	0	0	0	0	2
<b>Expenditures:</b>							
Direct Postage supplies rules, on going	0	0	0	0	0	6	2
Indirect	0	0	0	0	0	0	0
Total	0	0	0	0	0	6	2
Current Deficit/Excess	0	0	0	0	0	0	0
Accumulated Excess/Deficit*	0	0	0	0	0	0	0

As necessary, attach detailed schedule/listing of proposed changes in departmental earnings rates.

Agency Signature: *Edna V. Vas, Deputy Secretary*

\* F.Y. 1991 beginning accumulated balance to include amount of accumulated excess/deficit (if any) carried forward from F.Y. 1990.

OK M. [Signature] 8-12-93