

STATEMENT OF NEED AND REASONABLENESS
PERMANENT RULES RELATING TO FINANCIAL AID

as administered by

the Minnesota Higher Education Services Office

**In the Matter of the Proposed Adoption of Rules
Governing the Nursing Grant Program
for Persons of Color**

October 10, 1995

STATE OF MINNESOTA
Minnesota Higher Education Services Office

In the Matter of the Proposed Rules
Governing the Nursing Grant Program
for Persons of Color (Minn. Rules 4830.9015-
4830.9030).

STATEMENT OF NEED
AND REASONABLENESS

I. INTRODUCTION

The Nursing Grant Program for Persons of Color provides financial assistance to Minnesota residents who are persons of color attending Minnesota post-secondary educational programs leading to licensure as a registered nurse or advanced nursing education. The proposed modifications to the current rule relate primarily to the following issues: student eligibility, program eligibility, grant recipient service responsibility, and award amounts. Proposed language changes are due to statutory changes made during the 1995 legislative session as reflected in *Laws of Minnesota for 1995*, Chapter 212, Article 3, Section 29.

The proposed rule language was reviewed by agency legal counsel; members of the agency's financial aid advisory committee, which meets monthly to provide input to the Board on post-secondary financial aid matters relating to program policy and program operations; and the Student Advisory Council. Financial aid administrators representing the following Minnesota institutions: the University of Minnesota system, State Universities, Community Colleges, Technical Colleges, Private Colleges, and Private Proprietary Schools are members of the Minnesota Higher Education Services Office financial aid advisory committee. Students serving on the Student Advisory Council represent post-secondary students attending the following Minnesota post-secondary institutions: University of Minnesota (all campuses), State Universities, Community Colleges, Private Colleges, Technical Colleges and Private post-secondary schools. The Notice of Solicitation of Outside Information or Opinions was published in the *State Register* on August 7, 1995 to secure additional public comment or opinions prior to preparation of the proposed rule for publication in the *State Register* with the Notice of Intent to Adopt these permanent rules.

II. STATEMENT OF OFFICE'S STATUTORY AUTHORITY

The authority of the Minnesota Higher Education Services Office to adopt rules is set forth in *Laws of Minnesota for 1995*, Chapter 212, Article 3, Section 9, which provides:

136A.01, Subd. 2(8): [The higher education services office is responsible for:] prescribing policies, procedures, and rules under chapter 14 necessary to administer the programs under its supervision.

III. STATEMENT OF NEED

Minnesota Statutes Chapter 14 requires the Office to make an affirmative presentation of facts establishing the need for and reasonableness of the rules as proposed. In general terms, this means that the Office must set forth the reasons for its proposal, and the reasons must not be arbitrary or capricious. However, to the extent that need and reasonableness are separate, need has come to mean that a problem exists which requires administrative attention, and reasonableness means that the solution proposed by the Office is appropriate. The need for the rule amendments is discussed below.

NURSING GRANT PROGRAM FOR PERSONS OF COLOR.

During the 1995 legislative session, several changes were made to *Minnesota Statutes* 136A.1359 which affect the current permanent rule governing the Nursing Grant Program for Persons of Color. Student eligibility for this program was expanded to include students pursuing advanced nursing education programs as well as those who were pursuing a program leading to licensure as a registered nurse (*MN Statutes 136A.1359, Subdivisions 1 and 2*), and also to include permanent residents of the United States as eligible recipients [*MN Statutes 136A.1359, Subd. 2(1)*]. In addition, the requirement of applicants to express a willingness to serve in Minnesota at least three years as a nurse following licensure was eliminated [*MN Statutes 136A.1359, Subd. 2(5)*]. The award amount per grant recipient was changed from a specific dollar amount to a award range specifying minimum and maximum award amounts (*MN Statutes 136A.1359, subd. 3*). The permanent rule must be amended to reflect these statutory changes. Finally, the statutory language relating to this agency and its responsibilities was changed during the 1995 legislative session [*Laws of Minnesota for 1995*, Chapter 212, Article 3, Sections 17 and 18]. Since other rule changes were being pursued at this time, references in rule to the agency and executive staff are also included in this rulemaking process rather than waiting for the Revisor of Statutes to make such changes with the next publication of agency rules to avoid confusion by individuals referencing these agency rules routinely.

IV. STATEMENT OF REASONABLENESS

The Office is required by *Minnesota Statutes* Chapter 14 to make an affirmative presentation of facts establishing the reasonableness of the proposed rules. Reasonableness is the opposite of arbitrariness or capriciousness. It means that there is a rational basis for the Office's proposed action. The reasonableness of the proposed rules is discussed below.

A. Reasonableness of the Rules as a Whole

During the 1995 legislative session, several statutory changes were made to the Nursing Grant Program for Persons of Color [*Laws of Minnesota for 1995, Chapter 212, Article 3, Section 29*]. Portions of the current permanent rules are not consistent with the revised statutory language. Therefore, the agency rules need to be amended to reflect these changes. In addition to these programmatic statutory changes, the identity and responsibilities of the agency were changed during the 1995 legislative session. The Office felt it appropriate to also amend the rule to reflect statutory changes in references to this agency with the other rule amendments being pursued at this time for consistency, completeness and to avoid confusion.

B. Reasonableness of Individual Rules

The following discussion addresses the specific provisions of the proposed rules.

4830.9015 APPLICATION AND DISTRIBUTION OF FUNDS FOR GRANTS.

Subpart 1. Application by schools and programs. The added language in this subpart is to reflect the statutory expansion of this program to include not only educational programs of registered nursing but also programs of advanced nursing education. The additional language is for accuracy and completeness due to the statutory change made during the 1995 legislative session [*Laws of Minnesota for 1995, Chapter 212, Article 3, Section 29*]. The deleted word "executive" in this subpart is necessary due to the statutory change in the title of the individual who serves as the executive head of the Higher Education Services Office [*Laws of Minnesota for 1995, Chapter 212, Article 3, Section 18*]. This change is for correctness and consistency with the statutory language.

Subp. 2. Responsibility. The add/delete language in the first part of this subpart, including Item A, is to reflect the statutory expansion of this program to include not only educational programs of registered nursing but also programs of advanced nursing education. The deleted word "executive" in this subpart is necessary due to the statutory change in the title of the individual who serves as the executive head of the Higher Education Services

Office. The deletion in Item C of this subpart eliminates the necessity of the nursing program to include the likelihood of the grant recipient serving as a nurse in Minnesota upon licensure. This service requirement was eliminated in the statutes governing this program during the 1995 legislative session [*Laws of Minnesota for 1995*, Chapter 212, Article 3, Section 30]. Item F in subpart 2, which relates to the monitoring a grant recipient's service in Minnesota, is also deleted due to the elimination of the service requirement. Therefore, all additions and deletions in this subpart are for accuracy and completeness, and are necessary due to the changes made to the statutes governing this program during the 1995 legislative session.

Subp. 3. Allocation formula. The add/delete language in the first part of this subpart reflects the statutory change to include advance nursing education students for grant eligibility. The add/delete language relating to the minimum allocation amount reflects the statutory change in the minimum award amount per grant recipient of \$2,000. All amendments to this subpart are necessary to reflect the changes in the statutes governing this program as stated in *Laws of Minnesota for 1995*, Chapter 212, Article 3, Sections 29, 30 and 31. The amendments are made for accuracy.

Subpart 4. Modification of allocations.

Subp. 5. Reallocation.

Subp. 6. Delay.

Subp. 7. Accountability.

Subp. 8. Unused funds.

The amendments to subparts 4, 5, 6, 7 and 8 reflect the 1995 statutory change when referencing the individual serving as the executive head of the Higher Education Services Office (HESO). Although such a change would be made per directives of the 1995 legislature with the next bound publication of *Minnesota Rules*, agency staff felt it prudent to make this change with the other amendments to this rule for accuracy, completeness and to avoid confusion by program participants when referring both to statutes and agency rules pertaining to this program.

Subp. 9. Monitoring recipient service status. [REPEALED]

This entire subpart is repealed because it relates to the service requirement which was eliminated from the statutes governing this program [*Laws of Minnesota for 1995*, Chapter 212, Article 3, Section 30]. The deletion is for accuracy, clarity, and conciseness.

4830.9020. AWARDS.

Subpart 1. Award amount. The add/delete language in this subpart is to reflect the statutory change [*Laws of Minnesota for 1995*, Chapter 212, Article 3, Section 31] in the grant award amount per recipient from a flat dollar amount per academic year to an amount

between the minimum award of \$2,000 and the maximum award of \$4,000 as specified in statute. The amended language is necessary for accuracy and completeness.

4830.9025. RECIPIENT RESPONSIBILITIES. [REPEALED]

Subpart 1. Change of Address.

Subp. 2. Service status verification.

The two subparts in this section are deleted because they relate to the monitoring of the recipient's service requirement in Minnesota which has been eliminated from the statutory requirements for grant eligibility. The subparts are no longer necessary and therefore have been deleted from the agency rules. The deletions are to avoid confusion and for accuracy.

4830.9030. REPORTS BY SCHOOLS OR NURSING PROGRAMS.

Subpart 1. Data collection; reports.

Subp. 2. Additional information.

The amendments to the above two subparts reflect the 1995 statutory change when referencing the individual serving as the executive head of the Higher Education Services Office (HESO). Although such a change would be made per directives of the 1995 legislature with the next bound publication of *Minnesota Rules*, agency staff felt it prudent to make this change with the other amendments to this rule for accuracy, completeness and to avoid confusion by program participants when referring both to statutes and agency rules pertaining to this program.

IV. Costs to Local Bodies

It has been determined that *Minnesota Statute* 14.11 is not applicable because there will be no impact or cost to local bodies related to the adoption of this rule. This program relates to financial aid assistance to persons of color pursuing registered or advanced nursing education programs. No expenditure of public money by local public bodies is pertinent to this rule.

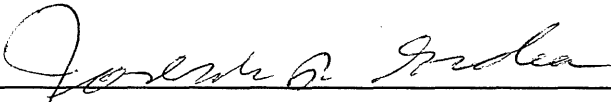
V. SMALL BUSINESS CONSIDERATIONS IN RULEMAKING

It has been determined that there will be no impact on small businesses.

VI. CONCLUSION

Based on the foregoing, the proposed Minnesota Rule pt. 4830.9015-4830.9030 is both needed and reasonable.

Dated: October 10, 1995



JOSEPH P. GRABA
Interim Director