

## Minnesota Office of Higher Education

### REQUEST FOR COMMENTS

#### **Possible Amendment to Rules Relating to Higher Education Financial Assistance and Supplemental Student Loans, *Minnesota Rules*, 4830.0150 to 4850.0017; Revisor's ID Number 4425**

**Subject of Rules.** The Minnesota Office of Higher Education requests comments on its amendments to rules governing the Higher Education Financial Assistance and Supplemental Student Loans program. The SELF Loan Program is a state program of supplemental loans to postsecondary students. The Office of Higher Education is considering rule amendments that serve a variety of purposes – updating language to reflect statute changes, clarifying existing rule language and providing the Office of Higher Education with flexibility to better meet the needs of borrowers and the long-term financial sustainability of the program.

The intent of the proposed rule amendments will enable the Office of Higher Education to:

- provide borrowers with more flexibility for forbearances and remaining in-school status to help them reduce their risk of defaulting on their loan
- utilize cosigner credit scores to determine their credit worthiness
- terminate participating postsecondary institutions with high student loan default rates in order to protect the financial strength and integrity of the program, and maintain the ability to obtain external program funding.

**Persons Affected.** The amendment to the rules would likely affect student loan borrowers, their loan co-signers and postsecondary institutions participating in the program.

**Statutory Authority.** *Minnesota Statutes*, Chapter 136A.16 subd. 2, authorizes the Minnesota Office of Higher Education to adopt policies and prescribe appropriate rules to carry out the purposes of sections [136A.15](#) to [136A.1702](#) to provide student loan programs. The policies and rules except as they relate to loans under section [136A.1701](#) must be compatible with the provisions of the National Vocational Student Loan Insurance Act of 1965 and the provisions of title IV of the Higher Education Act of 1965, and any amendments thereof.

**Public Comment.** Interested persons or groups may submit comments or information on these possible amended rules in writing until 4:30 p.m. on Monday, April 9, 2018. The Office of Higher Education will not publish a notice of intent to adopt the rules until more than 60 days have elapsed from the date of this request for comments.

**Rules Drafts.** The Office of Higher Education has drafted the possible rules amendments. These will be posted on the Office website. <http://www.ohe.state.mn.us/mPg.cfm?pageID=425>

**Agency Contact Person.** Written comments, questions, requests to receive a draft of the rules, and requests for more information on these possible rules should be directed to:

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651 355-0600  
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Submit written comments via the Office of Administrative Hearings Rulemaking e-comments website at <https://minnesotaoah.granicusideas.com/discussions>.

**Alternative Format.** Upon request, this information can be made available in an alternative format, such as large print, braille, or audio. To make such a request, please contact the agency contact person at the address or telephone number listed above.

**NOTE:** Comments received in response to this notice will not necessarily be included in the formal rulemaking record submitted to the administrative law judge if and when a proceeding to adopt rules is started. The agency is required to submit to the judge only those written comments received in response to the rules after they are proposed. If you submitted comments during the development of the rules and you want to ensure that the Administrative Law Judge reviews the comments, you should resubmit the comments after the rules are formally proposed.

A handwritten signature in black ink that reads "Lawrence J. Pogemiller". The signature is written in a cursive style with a large, prominent initial "L".

Dated: January 16, 2018

Larry Pogemiller, Commissioner  
Minnesota Office of Higher Education