

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

MINNESOTA STATE REGULATIONS

Notice of filing by the Commissioner of Administration

We have received on this date, stamped and filed 2 copies of Rules and Regulations pertaining to the Minnesota Higher Education Coordinating Commission
(Agency or Board)

Regulation No. HECC 401-407 (new)

Subject: Loans to Medical and Osteopathy Students

Department of Administration
Publication, Central Services Division
Documents Section
140 Centennial Office Building
St. Paul, Minnesota 55155
Telephone: (612) 296-2874

FILED
RICHARD L. BRUBACHER
Commissioner of Administration

NOV 13 1973 9:10 am

BY Eda Staudenmaier
AUTH. SIGNATURE EJ

Stamped and filed with the Secretary of State 11-12-73

Rev. 9-72

RULES AND REGULATIONS

of

MINNESOTA HIGHER EDUCATION
COORDINATING COMMISSION

relating

LOANS TO MEDICAL AND OSTEOPATHY STUDENTS

Laws, 1973 - Chapter 727

Duly promulgated and adopted by said Commission pursuant to M. S. 1973, Section 15.0412, Subdivision 4.

Hearing Notice	July 27, 1973
Hearing Date	August 30, 1973
Rules Adopted	September 27, 1973

Richard C. Hawk, Executive Director

Approved as to form and legality
by Attorney General pursuant
to M. S. 15.0412, Subd. 4

Filed:

Secretary of State

Commissioner of Administration

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

Rules and Regulations Governing Administration
of Loans to Medical and Osteopathy Students
Defined in Laws 1973, Chapter 727.

Chapter Four: HECC 401-500

LOANS TO MEDICAL AND OSTEOPATHY STUDENTS

HECC 401 - PURPOSE.

The purpose of this chapter is to augment Laws, 1973, Chapter 727, establishing a state program of loans to medical and osteopathy students by providing standards, criteria, rules and regulations therefor:

HECC 402 - DEFINITIONS.

The following terms shall have the meaning hereinafter ascribed to them:

(a) "Accredited medical school" as defined in Laws, 1973, Chapter 727, Section 1, shall be any one of the three schools of medicine in Minnesota, namely: Minneapolis, Duluth, and Mayo at Rochester.

(b) "Accredited school of osteopathy" as defined in Laws, 1973, Chapter 727, Section 1, shall be one whose graduates are eligible for licensure in Minnesota. Annually, by resolution, the Commission shall adopt a list of such schools so qualifying.

(c) "Area in need of medical doctors or osteopaths" as defined in Laws, 1973, Chapter 727, Section 1, shall be a rural community in Minnesota where the health care needs of its residents are not fully met by available physicians and/or osteopaths. Annually, by resolution, the Commission shall adopt a list of such areas based upon recommendations of the Minnesota State Board of Medical Examiners and other agencies concerned with planning health care of Minnesota residents.

(d) "Good standing of the student" as required by Laws, 1973, Chapter 727, Section 1, shall mean that the student is attending full-time in an approved school of medicine or osteopathy and is making satisfactory progress toward completion of academic and internship requirements according to standards of the institution the student is attending.

(e) "Three years in an area" as required by Laws, 1973, Chapter 727, Section 1, shall mean 36 consecutive months of medical practice in an approved area of need as defined in HECC 402 (c).

HECC 403 - CRITERIA FOR SELECTION.

(a) Priority will be given to applicants with financial need. The applicant's need for loan assistance provided by the terms of this act shall be determined by the Board of Medical Examiners which shall take into account educational costs and financial resources available to the student.

(b) Eligibility of applicants for loan benefits shall be restricted to United States citizens with preference given to those applicants who have resided in Minnesota for one year or more before applying for a loan under terms of this program.

(c) Priority shall be given to applicants who previously received a loan from the Board of Medical Examiners if they satisfy the requirements of HECC 403 (a) and (b).

HECC 404 - DELEGATION OF AUTHORITY.

The Executive Director of the Commission is hereby delegated the authority and responsibility for issuance of public information, designing of application forms, prescribing of procedures for submission of applications for loans and for the selection of qualified recipients of loans provided by terms of this act.

(a) Completed applications shall be reviewed, ranked and forwarded by representatives of participating schools of medicine and osteopathy to

the State Board of Medical Examiners.

(b) The Board of Medical Examiners shall evaluate the respective qualifications of applicants and present its recommendations to the Commission for its final review and approval.

HECC 405 - AMOUNT AND TERMS OF LOANS.

(a) The amount of a loan shall not exceed $6,000 for any given academic year nor $24,000 in total to any one student.

(b) Each loan shall be evidenced by a promissory note payable on demand to the State of Minnesota and such note shall bear interest at the rate of eight (8) percent per annum from the date of execution until paid or otherwise discharged in accordance with terms of this act.

(c) Each recipient of a loan provided by terms of this act shall be required to agree in writing to practice medicine and osteopathy for a period not less than three (3) years in a rural community in Minnesota designated by the Commission as an area in need of medical doctors or osteopaths as defined in HECC 402 (c)~~.~~; and shall further agree that such practice shall begin not later than three (3) months after being certified as qualified to practice medicine or osteopathy in Minnesota except as otherwise provided in HECC 405 (d).

(d) After the recipient of a loan provided by this act has been certified by the ~~attending institution~~ State Board of Medical Examiners as qualified to practice medicine or osteopathy in Minnesota, he may, upon proper application to the Commission, be granted deferment of his obligation for a period not exceeding four (4) years for the purpose of advanced specialized study or for service in the armed forces of the United States.

(e) The recipient of a loan provided by terms of this act shall be considered to have discharged the full amount of his obligation, both

principal and interest of loans, upon certification of satisfactory completion of required medical practice as defined in HECC 405 (c).

(f) If the recipient of a loan provided by this act fails to fulfill his agreement to practice medicine or osteopathy as set forth in HECC 405 (c), the full amount of his loan obligations, both principal and interest, shall become due and payable upon demand.

HECC 406 - METHOD OF PAYMENT

(a) Upon approval of a loan under terms of this act and after the promissory note and service agreement have been executed in accordance with requirements set forth in HECC 405 (b) and HECC 405 (c), respectively, the Executive Director of the Commission shall cause to be remitted to the loan recipient the principal amount of the loan.

(b) Pursuant to terms of this act, a loan may be granted for full-time attendance at an approved school of medicine or osteopathy for a specified academic term. A recipient of a loan obtained under provisions of this act who ceases to be a full-time student at an approved school of medicine or osteopathy for any reason shall be required to repay to the Commission the entire amount of his loan obligations, both principal and interest, upon demand.

HECC 407 - RESERVE FUND.

The Commission shall be required to maintain a reserve fund as stipulated in Laws, 1973, Chapter 727, Section 4, for the purpose stated. Loan obligations forgiven in accordance with HECC 405 (e) and any uncollectible loans made in accordance with terms of this act shall be charged to the reserve fund and the loan fund credited for the amount so charged.

HECC 408 - 500 RESERVED FOR FUTURE USE.

FILED
RICHARD L. BRUBACHER
Commissioner of Administration
NOV 13 1973 9:10 am
BY Richard L. Brubacher
AUTH. SIGNATURE

APPROVED AS TO FORM AND LEGALITY
Nov 12 1973
WARREN SPANNAUS, ATTORNEY GENERAL
BY Patrick Wilcox
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
NOV 12 1973 3:45 pm
Arlen I. Erdahl
Secretary of State

STATE OF MINNESOTA

COUNTY OF RAMSEY

AUTHORIZING RESOLUTION

I, Barbara Clark, do hereby certify that I am Secretary of the Minnesota Higher Education Coordinating Commission, a board duly authorized under the laws of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of said Commission duly and properly called and held on Thursday, the 28th day of June, 1973, and that said resolution is set forth in the official minutes of said meeting and that the same has not been modified or rescinded.

> Mrs. Clark moved that the recommendations of the State Board for Medical Examiners be submitted to the Comprehensive Health Planning Program for review and recommendation to the Commission, to authorize the Executive Director to hold a public hearing in August on proposed rules and regulations for administration of the medical student loan program, to proceed with the solicitation of applications for loans and to disseminate general information about the program to interested groups. The motion was seconded by Mrs. Hamilton. Motion carried.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17th day of July, 1973.

Carl W. Kroening

Carl W. Kroening, Vice President

Barbara Clark

Barbara Clark, Secretary

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students.

BEFORE Richard C. Hawk
Executive Director
Minnesota Higher Education
Coordinating Commission

ORDER FOR HEARING

To effectively implement a state program of loans to medical and osteopathy students as provided by Chapter 727, Laws of Minnesota, 1973, the Minnesota Higher Education Coordinating Commission deems it necessary to consider adoption of the proposed rules and regulations captioned above pursuant to the authority vested in said Commission by Chapter 727, Laws of Minnesota, 1973.

NOW THEREFORE, IT IS ORDERED this 25th day of July, 1973 that a public hearing on the proposed rules captioned above be held in the first floor Conference Room, Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota, on Thursday, August 30, 1973, commencing at 11:00 a.m., and continuing until all representatives of post-secondary educational institutions, associations and other interest groups or persons have had an opportunity to be heard.

IT IS FURTHER ORDERED, that notice of said hearing be given to all representatives of associations or other interest groups or persons who have registered their names with the Secretary of State for that purpose and to all persons who are presently members of the Minnesota Legislature.

Minnesota Higher Education
Coordinating Commission

by _____
Richard C. Hawk, Executive Director

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students

BEFORE Richard C. Hawk
Executive Director
Minnesota Higher Education
Coordinating Commission

NOTICE OF HEARING

Notice is hereby given that a public hearing will be held pursuant to M. S. 1971, Section 15.0412, Subd. 4, on the above-entitled matter in the first floor Conference Room, Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota, Thursday, August 30, 1973, commencing at 11:00 a.m., and continuing until all representatives of post-secondary educational institutions, associations and other interested groups or persons have had an opportunity to be heard concerning adoption of the proposed rules and regulations captioned above by submitting either oral or written statements or arguments. Statements or briefs may be submitted to the Commission prior to the hearing without appearing at the hearing.

A copy of the proposed rules and regulations captioned above may be obtained from the Commission at least ten (10) days prior to the date of the hearing.

Minnesota Higher Education Coordinating Commission
Suite 400 Capitol Square, 550 Cedar Street
St. Paul, Minnesota 55101

Richard C. Hawk, Executive Director

PROPOSED

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

Rules and Regulations Governing Administration
of Loans to Medical and Osteopathy Students
Defined in Laws 1973, Chapter 727.

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HECC 408 - 500 RESERVED FOR FUTURE USE.

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students

CERTIFICATE

I hereby certify that the attached 270 labels constitute the complete list of persons, associations and other interested groups who as of 3:30 o'clock p.m., this 25th day of July, 1973, have requested pursuant to M. S. 1971, Section 15.0412, that their names be placed on file with the Secretary of State for the purpose of receiving notice of a public hearing on proposed rules and regulations on the subject captioned above.

SECRETARY OF STATE

Arlen I. Erdahl

by Gail Dion

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students

AFFIDAVIT OF MAILING

Suzanne Simpson, being first duly sworn, deposes and says:

That on the 27th day of July, 1973, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Hearing by depositing in the United States mail at said City of St. Paul, a true and correct copy thereof, properly enveloped, with postage prepaid, to all persons and associations at addresses listed on the attached Certificate of the Secretary of State, to all persons listed on the attached sheet as presently being members of the Minnesota Legislature, and to all Student Aid Officers and Deans of Schools of Medicine and Osteopathy eligible to participate in the above-captioned program of student aid.

Subscribed and sworn to before me
this 27th day of July, 1973. Allen A. Yozamp

ALLEN A. YOZAMP
Notary Public, Anoka County, Minn.
MY COMMISSION EXPIRES
November 21, 1974

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students.

BEFORE Richard C. Hawk
Executive Director
Minnesota Higher Education
Coordinating Commission

STATEMENT OF NEED

The above captioned rules are not amendments to existing rules of the Minnesota Higher Education Coordinating Commission.

The need to adopt these rules arises because of the establishment by Chapter 727, Laws of Minnesota, 1973, of a state program of loans to medical and osteopathy students, said laws requiring the Minnesota Higher Education Coordinating Commission to adopt rules and regulations for proper administration of this distinctive student loan program.

Minnesota Higher Education
Coordinating Commission

by _____
Richard C. Hawk, Executive Director

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students.

BEFORE Richard C. Hawk
Executive Director
Minnesota Higher Education
Coordinating Commission

FINDINGS OF FACT

The above entitled matter came on for hearing before the Minnesota Higher Education Coordinating Commission on the 30th day of August, 1973, at 11:00 a.m. in the first floor Conference Room, Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota, after proper notice required by M. S. 1973, Section 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, I find the following:

The proposed regulations, as amended, are appropriate and essential for the development and implementation of a state program of loans to medical and osteopathy students pursuant to legislation contained in Chapter 727, Laws of Minnesota, 1973.

Minnesota Higher Education
Coordinating Commission

by _____

Richard C. Hawk, Executive Director

STATE OF MINNESOTA

COUNTY OF RAMSEY

CERTIFICATE OF COMMISSION'S
ADOPTION OF RULES RESOLUTION

I, Barbara Clark, do hereby certify that I am Secretary of the Minnesota Higher Education Coordinating Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete and correct copy of a resolution adopted at a meeting of said Commission duly and properly called and held on the 27th day of September, 1973; that a quorum was present at said meeting; that said resolution is set forth in the minutes of said meeting and has not been modified or rescinded.

> "RESOLVED, that the rules and regulations relating to a state program of loans to medical and osteopathy students be and they hereby are approved and adopted, pursuant to authority vested in us by Chapter 727, Laws of Minnesota, 1973, and that Richard C. Hawk, Executive Director of the Minnesota Higher Education Coordinating Commission, be and hereby is authorized to sign an order adopting those rules and regulations."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 27th day of September, 1973.

Carl W. Kroening, Vice President

Barbara Clark, Secretary

STATE OF MINNESOTA

COUNTY OF RAMSEY

In the matter of the proposed adoption of Rules and Regulations of the Minnesota Higher Education Coordinating Commission related to a state program of Loans to Medical and Osteopathy Students.

BEFORE Richard C. Hawk
Executive Director
Minnesota Higher Education
Coordinating Commission

ORDER ADOPTING RULES

The above entitled matter came on for hearing before the Minnesota Higher Education Coordinating Commission on the 30th day of August, 1973, at 11:00 a.m. in the first floor Conference Room, Capitol Square Building, 550 Cedar Street, St. Paul, Minnesota, after proper notice required by M. S. 1973, Section 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above captioned rules and regulations,

NOW, THEREFORE, IT IS ORDERED that these rules and regulations indentified as HECC 401 - 407 are adopted this 28th day of September, 1973, pursuant to the authority vested in me by a resolution of the Minnesota Higher Education Coordinating Commission at its meeting of September 27th, 1973.

Minnesota Higher Education
Coordinating Commission

by _____

Richard C. Hawk, Executive Director