

**4830.5300 SCHOOL AGREEMENTS AND STUDENT APPLICATIONS.**

Subpart 1. **Origination agreement.** Before approving loans to students at a school, the school and commissioner shall execute a loan origination agreement. A school is considered to have originated a loan if the school determines who receives a loan and the loan amount or if the school, at the request of the lender, verifies the identity of the borrower or completes forms normally completed by the lender. The origination agreement must specify the school's responsibility for proper delivery of loans to students. It must also designate a school representative who is responsible for performance of the following activities:

- A. complete and certify the school section of a loan application;
- B. assist the office by providing loan counseling to students;
- C. assist the office by counseling students about their obligations when accepting a loan;
- D. deliver loan disbursements to students; and
- E. promptly notify the office when a borrower does not attend school at least half-time.

Subp. 2. **Termination.** The commissioner may terminate an agreement with a school upon determining that continuation of the agreement is not in the best interests of the state student loan program.

Subp. 3. **Application, guarantee, and note.** The student and school must complete appropriate parts of the application and promissory note and send them to the office for its review. The office must complete the lender's part of the application and send it to the guarantee agency. The guarantee agency must determine the loan amount it will guarantee. Once the loan amount has been guaranteed, the office must send the loan amount to the school as prescribed in the Higher Education Act of 1965, as amended.

**Statutory Authority:** *MS s 136A.111; 136A.16; 136A.234; 136A.70; 147.30*

**History:** *8 SR 196; 10 SR 2319; L 1995 c 212 art 3 s 59; L 2013 c 99 art 2 s 29*

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