

1 Energy and Economic Development Department

2 Energy and Economic Development Authority

3

4 Adopted Rules Relating to Health Care Equipment Loan Program

5 Rules as Adopted

6 8300.3200 SCOPE AND AUTHORITY.

7 Parts 8300.3200 to 8300.3204 apply to applications for
8 loans for health care equipment made to the authority under
9 Minnesota Statutes, section 116M.07, subdivision 7a.

10 8300.3201 DEFINITIONS.

11 Subpart 1. **Scope.** For the purposes of parts 8300.3200 to
12 8300.3204, the following terms have the meanings given to them.

13 Subp. 2. **Application fees.** "Application fees" means the
14 fee charged by the authority, in connection with an application
15 for program funds, based on the actual direct cost of processing
16 the application and servicing loans by the commissioner and the
17 commissioner of health. The application fee is two-fifths of
18 one percent of the program funds requested in applications
19 received during any calendar quarter established by part
20 8300.3204, subpart 1, and shall be paid in accordance with part
21 8300.3204, subpart 6. The fees shall not exceed the applicable
22 federal limitations imposed by section 103(c) of the Internal
23 Revenue Code of 1954, as amended, or other applicable federal
24 laws governing the issuance of bonds or notes by the authority.

25 Subp. 3. **Authority.** "Authority" means the Minnesota
26 Energy and Economic Development Authority created in Minnesota
27 Statutes, section 116M.06.

28 Subp. 4. **Commissioner.** "Commissioner" means the
29 commissioner of the Department of Energy and Economic
30 Development or a designee.

31 Subp. 5. **Program funds.** "Program funds" means the money
32 for loans made available from the sale of bonds or notes as set
33 forth in the indenture adopted by the Minnesota Energy and
34 Economic Development Authority pursuant to Minnesota Statutes,

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1 section 116M.07, subdivision 7b.

2 Subp. 6. Project. "Project" means all functionally
3 related equipment and all associated costs including application
4 fees; bond issuance costs; underwriting or placement fees;
5 trustee fees; bond insurance; fees of guarantor, insurer, or
6 financial institution other than the authority who provides
7 letter of credit, surety bonds, or equivalent security; legal
8 fees, including those of the authority's bond counsel; and debt
9 service reserve fund.

10 8300.3202 ELIGIBLE PROJECT FOR PROGRAM FUNDS.

11 To be eligible for program funds, an application must meet
12 the criteria outlined in Minnesota Statutes, section 116M.07,
13 subdivision 7c, and part 4647.0200, subpart 3.

14 8300.3203 PROCEDURES FOR HEALTH CARE EQUIPMENT LOAN APPLICATIONS.

15 Subpart 1. In general. To apply for assistance from the
16 authority, an applicant shall submit two completed application
17 forms to the commissioner on a form provided by the
18 commissioner. An application must be completed, dated, and
19 signed by an authorized officer of an applicant and include
20 certification of bond insurance issued by a private insurer as
21 required by Minnesota Statutes, section 116M.07, subdivision 7b.

22 Subp. 2. Contents. Applications must include the amount
23 of the requested loan and information necessary for approval by
24 the commissioner of health pursuant to Minnesota Statutes,
25 section 116M.07, subdivision 7c, and parts 4647.0100 to
26 4647.0400.

27 8300.3204 PROCEDURES FOR APPLICATION PROCESSING.

28 Subpart 1. Deadline for submission. Applications for
29 program funds will be processed on a quarterly basis.
30 Applicants shall submit completed application forms by February
31 1, May 1, August 1, or November 1 to receive consideration or
32 priority under part 4647.0300 in the respective quarter. If an
33 application is received after the quarterly application
34 deadline, it shall be forwarded to the commissioner of health.

1 Subp. 2. Review by Department of Health. When an
2 application is received by the commissioner, a copy of the
3 application will be sent to the commissioner of health for
4 review. Upon receipt of the notification from the commissioner
5 of health that the application or a project within an
6 application has been approved, the commissioner will follow the
7 procedure under subpart 3 or 4.

8 Subp. 3. Review and approval. The authority may not
9 approve an application, or a project within an application, nor
10 make a loan to an applicant unless the application or project
11 within an application has been approved by the commissioner of
12 health. If the commissioner of health has approved an
13 application or project within an application, the authority
14 shall pass a resolution approving the application or project and
15 make the loan if sufficient program funds are available and bond
16 ~~insurance-is-issued-by-a-private-insurer~~ if the loan to the
17 applicant has been approved by the private insurer which has
18 issued a letter of credit or bond insurance policy with respect
19 to the indenture adopted by the authority pursuant to Minnesota
20 Statutes, section 116M.07, subdivision 7b.

21 Subp. 4. Authority review and rejection. If the
22 commissioner of health has approved an application or project
23 within an application, the authority shall pass a resolution
24 rejecting the application or project, and notify the applicant
25 of the rejection, only if the authority finds that there are
26 insufficient program funds available or that ~~bond-insurance~~
27 ~~required-to-be-issued-by-a-private-insurer-is-not-available~~ the
28 applicant had been denied by the private insurer which has
29 issued a letter of credit or bond insurance policy with respect
30 to the indenture adopted by the authority pursuant to Minnesota
31 Statutes, section 116M.07, subdivision 7b.

32 Subp. 5. Loan agreement and disbursement. Upon approval
33 of an application or project within an application by the
34 authority, the commissioner shall send a loan agreement to the
35 applicant. The applicant shall have a duly authorized officer
36 execute and return the executed loan agreement to the

1 commissioner. The program funds approved by the authority for
2 an applicant will be disbursed upon execution of and according
3 to the terms of the loan agreement and the health care equipment
4 program indenture.

5 Subp. 6. Payment of application fee. The application fee
6 established pursuant to part 8300.3201, subpart 5 2, shall be
7 paid by the trustee specified in the health care equipment loan
8 indenture on a quarterly basis no later than at the time of
9 disbursement.

10 Subp. 7. Preparation of documents. The commissioner has
11 the authority and responsibility to prepare or cause to be
12 prepared all necessary documents and to execute them on behalf
13 of the authority.

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