

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 419

BY ERPELDING

AN ACT

1 RELATING TO STUDENT LOANS; AMENDING CHAPTER 37, TITLE 33, IDAHO CODE, BY THE
2 ADDITION OF A NEW SECTION 33-3728, IDAHO CODE, TO ESTABLISH PROVISIONS
3 RELATING TO CERTAIN DEBT REPORTS AND TO ESTABLISH PROVISIONS RELATING
4 TO COUNSELING; AMENDING CHAPTER 37, TITLE 33, IDAHO CODE, BY THE ADDI-
5 TION OF A NEW SECTION 33-3729, IDAHO CODE, TO ESTABLISH PROVISIONS RE-
6 QUIRING INFORMATION BE PROVIDED TO STUDENTS; AMENDING CHAPTER 37, TI-
7 TLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-3730, IDAHO CODE,
8 TO ESTABLISH PROVISIONS RELATING TO LOAN COUNSELING, TO ESTABLISH PRO-
9 VISIONS RELATING TO ENTRANCE AND EXIT COUNSELING; AMENDING CHAPTER 37,
10 TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-3731, IDAHO
11 CODE, TO ESTABLISH PROVISIONS RELATING TO STUDENT LENDING TRANSPARENCY
12 AND TO DEFINE TERMS; AMENDING TITLE 33, IDAHO CODE, BY THE ADDITION OF
13 A NEW CHAPTER 58, TITLE 33, IDAHO CODE, TO PROVIDE A CHAPTER HEADING,
14 TO PROVIDE DEFINITIONS, TO ESTABLISH PROVISIONS CREATING THE IDAHO STU-
15 DENT LOAN REFINANCING AUTHORITY, TO PROVIDE FOR POWERS OF THE BOARD, TO
16 PROVIDE FOR DUTIES OF THE BOARD, TO PROVIDE FOR THE ISSUANCE OF BONDS,
17 TO ESTABLISH PROVISIONS RELATING TO BOND SECURITY, TO ESTABLISH PROVI-
18 SIONS THAT BONDS ARE NOT PUBLIC DEBT, TO ESTABLISH PROVISIONS RELATING
19 TO A STATE PLEDGE, TO ESTABLISH PROVISIONS RELATING TO LIMITED LIABIL-
20 ITY, TO ESTABLISH PROVISIONS RELATING TO AN ANNUAL REPORT, TO PROVIDE
21 FOR STAGGERED TERMS, AND PROVIDING AN EFFECTIVE DATE.
22

23 Be It Enacted by the Legislature of the State of Idaho:

24 SECTION 1. That Chapter 37, Title 33, Idaho Code, be, and the same is
25 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
26 ignated as Section 33-3728, Idaho Code, and to read as follows:

27 33-3728. STUDENT LOANS DEBT REPORTS -- COUNSELING. (1) Student
28 loan debt reports. By January 1 of each year, all public universities and
29 colleges, community colleges and postsecondary professional-technical col-
30 leges, all private, nonprofit accredited institutions of higher education
31 in this state, and all proprietary postsecondary institutions governed by
32 the provisions of title 33, chapter 24, Idaho Code, collectively hereinafter
33 referred to as "institutions of higher education," in this state shall
34 provide to the state board of education the average amount of student loan
35 incurred in the previous year by resident undergraduate students enrolled in
36 each institution.

37 (2) By March 1 of each year, the state board of education shall do all of
38 the following:

39 (a) Compile the information provided to the state board of education
40 under subsection (1) of this section and, from that information, com-
41 pute the statewide average amount of student loan debt incurred in the

1 previous year by resident undergraduate students enrolled in the insti-
2 tutions specified in subsection (1).

3 (b) Compare the amount computed under paragraph (a) to the national av-
4 erage amount of student loan debt incurred in the previous year by un-
5 dergraduate students enrolled in institutions of higher education in
6 the United States.

7 (c) Compare the amount computed under paragraph (a) to the statewide
8 average amount of student loan debt incurred in the previous year by un-
9 dergraduate students in the state with the lowest ratio of statewide av-
10 erage student loan debt to the lowest quintile of state per capita in-
11 come.

12 (d) Submit a report regarding student loan debt incurred in the previ-
13 ous year by resident undergraduate students at the institutions speci-
14 fied in subsection (1) to the joint finance-appropriations committee.
15 The report shall include the information provided to the state board of
16 education under subsection (1), the statewide average amount of student
17 loan debt computed under paragraph (a), and the comparisons described
18 in paragraphs (b) and (c).

19 SECTION 2. That Chapter 37, Title 33, Idaho Code, be, and the same is
20 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
21 ignated as Section 33-3729, Idaho Code, and to read as follows:

22 33-3729. INFORMATION PROVIDED TO STUDENTS. (1) For purposes of this
23 act, the term "institutions of higher education" shall mean those institu-
24 tions described in section 33-3728, Idaho Code.

25 (2) Each institution of higher education shall provide to a prospective
26 or newly accepted student and to the student's parents clearly outlined and
27 easy-to-understand information pertaining to all of the following:

28 (a) The total cost of attendance at the institution of higher educa-
29 tion.

30 (b) The approximate or, if known, the actual total amount of financial
31 aid that the student would receive from the institution of higher ed-
32 ucation, and the approximate or, if known, the actual total amount of
33 student loan debt that the student would accumulate, over the course of
34 four (4) years if the student were to attend the institution of higher
35 education for four (4) years.

36 (c) Student loan rates, repayment plans, default rates and the actual
37 monthly payment that would be required to pay the student loan debt de-
38 scribed in paragraph (b) of this subsection when the loan becomes due.

39 (3) Each institution of higher education shall create on its internet
40 site a link providing access to the information described in this section

41 SECTION 3. That Chapter 37, Title 33, Idaho Code, be, and the same is
42 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
43 ignated as Section 33-3730, Idaho Code, and to read as follows:

44 33-3730. LOAN COUNSELING. (1) Applicability. This section applies to
45 any student loan offered by an institution of higher education or a private
46 lender or recommended to a student by an institution of higher education,

1 other than a federally funded, federally insured, or federally guaranteed
2 loan for which counseling is required by 20 U.S.C. 1092.

3 (2) Entrance counseling. (a) Before a student enters into a student
4 loan agreement, an institution of higher education shall provide the student
5 with comprehensive information on the terms and conditions of a loan and the
6 responsibilities the student has with respect to the loan. The institution
7 shall provide the information during a counseling session conducted in per-
8 son, on a written form provided to the student that the student signs and re-
9 turns, or online, with the student acknowledging receipt of the information.
10 The information provided shall include all of the following:

11 (i) To the extent practicable, the effect of accepting the loan to
12 be disbursed on the eligibility of the borrower for other forms of
13 student financial assistance.

14 (ii) How interest accrues and is capitalized during periods when
15 the interest is not paid by the borrower.

16 (iii) The definitions of full-time and half-time enrollment at the
17 institution of higher education, during regular terms and inters-
18 session terms, if applicable, and the consequences of not maintain-
19 ing full-time or half-time enrollment.

20 (iv) The importance of contacting the appropriate office at the
21 institution of higher education if the borrower withdraws before
22 completing his or her program of study so that the institution can
23 provide counseling under subsection (4).

24 (v) Sample monthly repayment amounts based on a range of levels of
25 indebtedness.

26 (vi) The obligation of the borrower to repay the full amount of the
27 loan, irrespective of whether the borrower completes his or her
28 program of study at the institution.

29 (vii) The likely consequences of default on the loan, including
30 adverse credit reports, delinquent debt collection procedures and
31 litigation.

32 (viii) Whether the student has reached the limit on his or her fed-
33 eral student loan opportunities.

34 (ix) The name of, and contact information for, an individual the
35 borrower may contact if he or she has any questions about the bor-
36 rower's rights and responsibilities or the terms and conditions of
37 the loan.

38 (x) How a student or any member of the public may file a complaint
39 about a lender with the federal consumer financial protection
40 bureau by calling a toll-free telephone number, or by completing
41 a complaint form, which may be obtained on the bureau's internet
42 site. The toll-free telephone number and internet site address of
43 the bureau shall be included.

44 (b) In conjunction with providing information under paragraph (a), the
45 institution of higher education shall also do all of the following:

46 (i) Clearly distinguish private loans from federal loans in indi-
47 vidual financial aid awards by stating, for any private loans in-
48 cluded by the institution as part of the institution's award pack-
49 age, all of the following:

50 1. Whether the rate is fixed or variable.

- 1 2. An explanation that private student loan lenders can offer
2 variable interest rates that can increase or decrease
3 over time, depending on market conditions.
- 4 3. An explanation that private student loans have a range
5 of interest rates and fees and students should determine the
6 interest rate of, and any fees associated with, the private
7 student loan included in their financial aid award package
8 before accepting the loan.
- 9 4. An explanation that students should contact the lender
10 of the private student loan or their institution's financial
11 aid office if they have any questions about a private student
12 loan.
- 13 5. An explanation that the interest rate on a private loan
14 may depend on the borrower's credit rating.
- 15 (ii) If the institution of higher education provides a private
16 loan lender list, provide general information about the loans
17 available through the lender and disclose the basis for each
18 lender's inclusion on the list. The institution shall also dis-
19 close with the list that the student may choose any lender.
- 20 (c) (i) A lender may not accept a final and complete application
21 for a private student loan from an applicant, or assess any fees
22 upon an applicant, without first receiving certification from the
23 applicant's institution of higher education that the applicant
24 has received counseling from the institution under paragraphs (a)
25 and (b) of this subsection and that the counseling was conducted
26 in person, unless the certification specified that the applicant
27 elected to receive the counseling in a manner other than in person.
- 28 (ii) The certification required by subparagraph (i) of this para-
29 graph shall be signed by the applicant and the institutional coun-
30 selor, and shall include the date of the counseling and the name,
31 address and telephone number of both the counselor and the appli-
32 cant. An electronic facsimile copy of the counseling certifica-
33 tion satisfies the requirement of this subparagraph. The lender
34 shall maintain the certification in an accurate, reproducible and
35 accessible format for the term of the student loan.
- 36 (3) Exit counseling.
- 37 (a) As close as practicable to the date that a student graduates from,
38 transfers from withdraws from, or otherwise completes his or her pro-
39 gram of study at the institution of higher education, the institution
40 shall provide the student with information relating to all of the fol-
41 lowing:
- 42 (i) Repayment plans that are available, including a description
43 of the different features of each plan and sample information
44 showing the average anticipated monthly payments, and the differ-
45 ence in interest paid and total payments, under each plan.
- 46 (ii) Debt management strategies designed to facilitate the repay-
47 ment of indebtedness.
- 48 (iii) The options to prepay each loan, pay each loan on a shorter
49 schedule or change repayment plans.

1 (iv) The likely consequences of default on the loan, including ad-
 2 verse credit reports, delinquent debt collection procedures and
 3 litigation.

4 (v) The effects of consolidation on a borrower's underlying loan
 5 benefits.

6 (vi) Grace periods, loan forgiveness, cancellation and deferment
 7 opportunities.

8 (vii) The borrower benefit programs of different lenders.

9 (viii) The tax benefits that may be available to borrowers.

10 (ix) How to enroll in income-based repayment.

11 (b) With respect to a student who leaves an institution of higher edu-
 12 cation without the knowledge of the institution, the institution shall
 13 attempt to provide the information described in paragraph (a) to the
 14 student in writing.

15 (5) Fee. An institution of higher education may assess a reasonable fee
 16 to the lender to defray the cost of counseling under this section in an amount
 17 not exceeding fifty dollars (\$50.00).

18 SECTION 4. That Chapter 37, Title 33, Idaho Code, be, and the same is
 19 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 20 ignated as Section 33-3731, Idaho Code, and to read as follows:

21 33-3731. STUDENT LENDING TRANSPARENCY. (1) For purposes of this act,
 22 the following terms shall have the following meanings:

23 (a) "Higher education expenses" includes all of the following: tuition
 24 and fees; books and supplies; and room and board.

25 (b) "Private student loan" means a loan issued by a private lending in-
 26 stitution for the purpose of paying for or financing higher education
 27 expenses.

28 (c) "Private lending institution" means any private entity that itself
 29 or through an affiliate makes available student loans to pay for or fi-
 30 nance higher education expenses.

31 (d) "Student borrower" means any individual who borrows money from a
 32 private lending institution to finance higher education expenses.

33 (2) The state board of education shall compile data related to private
 34 student loans for the purpose of comparing private lending institutions'
 35 student loan interest rates and repayment plans, including all of the
 36 following: policies relating to deferment and forbearance; loan default
 37 policies and penalties; any other information that the state board of edu-
 38 cation deems relevant for the purpose of creating a list of private lending
 39 institutions that provide the lowest rates and best repayment options on
 40 student loans.

41 (3) (a) Using the data compiled under subsection (2) of this section,
 42 the state board of education shall create and maintain a list of private
 43 lending institutions that provide the lowest rates and best repayment
 44 options on student loans.

45 (b) In addition to the list under paragraph (a) of this subsection,
 46 the state board of education shall compile a list of the ten (10) best
 47 private lending institutions based on rates and policies that are most
 48 favorable to the student borrower. The state board of education may
 49 also consider the private lending institutions' policies for allowing a

1 student borrower to borrow more than ten percent (10%) over the student
2 borrower's total cost of higher education expenses when determining if
3 a private lending institution should be placed on this list.

4 (4) The state board of education shall place the lists created and com-
5 piled under subsection (3) of this section at an easily accessible location
6 on the its internet site. The state board of education shall update its in-
7 ternet site on a monthly basis to ensure that the student loan information in
8 these lists is current and accurate. Information pertaining to lending in-
9 stitutions that do not make the list compiled under subsection (3) of this
10 section shall also be posted on the state board of education's internet site
11 and those lending institutions that provide the worst rates and strictest
12 repayment options shall be clearly indicated.

13 (5) The state board of education may satisfy its duties under this sec-
14 tion through a designee or third-party contractor.

15 SECTION 5. That Title 33, Idaho Code, be, and the same is hereby amended
16 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-
17 ter 58, Title 33, Idaho Code, and to read as follows:

18 CHAPTER 58
19 IDAHO STUDENT LOAN REFINANCING AUTHORITY

20 33-5801. DEFINITIONS. In this chapter:

- 21 (1) "Authority" means the Idaho student loan refinancing authority.
22 (2) "Refinancing board" means the governing board of the authority.
23 (3) "Qualified education loan" has the meaning given in 26 U.S.C.
24 221(d).

25 33-5802. CREATION AND ORGANIZATION OF AUTHORITY.

26 (1)(a) There is created an independent authority, which is a public
27 body corporate and politic, to be known as the "Idaho Student Loan Refi-
28 nancing Authority." The members of the board shall consist of all of the
29 following:

30 (i) One (1) member of the majority party in each house of the leg-
31 islature.

32 (ii) One (1) member of the minority party in each house of the leg-
33 islature.

34 (iii) One (1) undergraduate student enrolled at least half-time
35 and in good academic standing at public college or university in
36 this state and who is at least eighteen (18) years old and a resi-
37 dent of this state.

38 (iv) One (1) student enrolled at least half-time and in good aca-
39 demic standing at a professional-technical college who is at least
40 eighteen (18) years old and a resident of this state.

41 (v) One (1) undergraduate student enrolled at least half-time and
42 in good academic standing at a private, nonprofit institution of
43 higher education located in this state who is at least eighteen
44 (18) years old and a resident of this state.

45 (vi) Two (2) members who have at least ten (10) years experience
46 in making qualified education loans or loan refinancing, but any
47 person having a financial interest in or whose employer is primar-

1 ily engaged in the business of making qualified education loans
2 is not eligible for appointment under this chapter, and any mem-
3 ber appointed under this subparagraph who acquires such an inter-
4 est while serving as a member shall resign from the board.

5 (b) (i) The members specified in subsection (1) (a) (i) and (ii) shall
6 be appointed as are the members of standing committees in their re-
7 spective houses.

8 (ii) The members specified in subsection (1) (a) (iii) through (v)
9 shall be nominated by the governor, and with the advice and consent
10 of the senate appointed, for two (2) year terms.

11 (c) The members specified in subsection (1) (a) (vi) shall be nominated
12 by the governor, and with the advice and consent of the senate appointed
13 for three (3) year terms.

14 (2) If a student member of the board appointed under subsection
15 (1) (a) (iii) through (v) loses his or her student status upon which the ap-
16 pointment was based, he or she ceases to be a member of the board upon the ap-
17 pointment of a qualified successor to the board. A student member who loses
18 his or her student status solely because he or she graduates from an institu-
19 tion of higher education may complete his or her current term of the board.

20 (3) The members of the board shall annually elect a chairperson and may
21 elect other officers as they consider appropriate. A majority of the members
22 of the board constitutes a quorum for the purpose of conducting its business
23 and exercising its powers and for all other purposes, notwithstanding the
24 existence of any vacancies. Action may be taken by the board upon a vote of a
25 majority of the voting members present.

26 (4) A member of the board may not be compensated for his or her services
27 but shall be reimbursed for actual and necessary expenses, including travel
28 expenses, incurred in the performance of his or her duties.

29 (5) No cause of action of any nature may arise against and no civil lia-
30 bility may be imposed upon a member of the board for any act or omission in the
31 performance of his or her powers and duties under this chapter, unless the
32 person asserting liability proves that the act or omission constitutes will-
33 ful misconduct.

34 (6) The board shall appoint a chief executive officer who shall not be
35 a member of the board and who shall serve at the pleasure of the board. The
36 chief executive officer shall receive such compensation as the board fixes.
37 The chief executive officer or other person designated by resolution of the
38 board shall keep a record of the proceedings of the authority and shall be
39 custodian of all books, documents, and papers filed with the authority, the
40 minute book or journal of the authority and its official seal. The chief ex-
41 ecutive officer or other person may cause copies to be made of all minutes and
42 other records and documents of the authority and may give certificates un-
43 der the official seal of the authority to the effect that such copies are true
44 copies, and all persons dealing with the authority may rely upon such cer-
45 tificates.

46 33-5803. POWERS OF THE BOARD. The board shall have all the powers nec-
47 essary or convenient to carry out the purposes and provisions of this chap-
48 ter. In addition to all other powers granted the board under this chapter,
49 the board may specifically:

1 (1) Adopt, amend, and repeal any bylaws, policies, and procedures for
2 the regulation of its affairs and the conduct of its business.

3 (2) Have a seal and alter the seal at pleasure.

4 (3) Maintain an office.

5 (4) Sue and be sued.

6 (5) Accept gifts, grants, loans, or other contributions from private or
7 public sources.

8 (6) Establish the authority's annual budget and monitor the fiscal man-
9 agement of the authority.

10 (7) Execute contracts and other instruments required for the operation
11 of the authority.

12 (8) Employ any officers, agents, and employees that it may require and
13 determine their qualifications, duties, and compensation.

14 (9) Request the issuance of notes, bonds, and other obligations, from
15 the Idaho housing and finance authority, provided that such notes, bonds or
16 other obligations shall not be deemed general obligations of the state of
17 Idaho.

18 (10) Make loans and provide grants.

19 (11) Incur debt, provided that such debt shall be considered the debt of
20 the authority only and shall not be considered debt of the state of Idaho.

21 (12) Procure liability insurance.

22 33-5804. DUTIES OF THE BOARD. The board shall develop and implement
23 a program under which state residents may refinance qualified education
24 loans. The board shall develop the program to include all of the following:

25 (1) The authority shall provide a loan to an eligible individual to pay
26 all or part of the individual's qualified education loans.

27 (2) The authority may only issues loans under the program that satisfy
28 the exception to discharge under 11 U.S.C. 523(8).

29 (3) The authority shall establish eligibility criteria to participate
30 in the program that is substantially similar to the criteria used by private
31 lenders in the state to evaluate whether an individual qualifies for an unse-
32 cured personal loan at market rates.

33 (4) The board shall set the interest rate on loans made under the pro-
34 gram to be as low as possible but still sufficient to fully pay all expenses
35 of the program and to provide necessary reserves, as determined by the board.

36 33-5805. ISSUANCE OF BONDS. (1) The authority may issue bonds for any
37 corporate purpose. All bonds are negotiable for all purposes, notwithstand-
38 ing their payment from a limited source.

39 (2) Except as may otherwise be expressly provided by the authority, ev-
40 ery issue of its notes or bonds shall be general obligations of the authority
41 payable out of any revenues or moneys of the authority, subject only to any
42 agreements with the holders of particular notes or bonds pledging any par-
43 ticular receipts or revenues.

44 (3) All bonds issued by the authority are negotiable investment securi-
45 ties under the laws of Idaho.

46 (4) The authority may not issue bonds unless the issuance is first au-
47 thorized by a bond resolution. Bonds shall bear the dates, mature at the
48 times not exceeding twenty (20) years from their dates of issue, bear inter-

1 est at the rates, be payable at the times, be in the denominations, be in the
2 form, carry the registration and conversion privileges, be executed in the
3 manner, be payable in lawful money of the United States at the places, and be
4 subject to the terms of redemption, that the bond resolution provides. The
5 bonds shall be executed by the manual or facsimile signatures of the officers
6 of the authority designated by the board. The bonds may be sold at public
7 or private sale at the price, in the manner, and at the time, determined by
8 the board. Pending preparation of definitive bonds, the authority may issue
9 interim receipts or certificates that shall be exchanged for the definitive
10 bonds.

11 (5) The board may include in a bond resolution provisions, which shall
12 be a part of the contract with the holders of the bonds that are authorized by
13 the bond resolution, regarding any of the following:

14 (a) Pledging or assigning specified assets or revenues of the author-
15 ity.

16 (b) Setting aside reserves or sinking funds, and the regulation, in-
17 vestment, and disposition of these funds.

18 (c) Limitations on the purpose to which or the investments in which the
19 proceeds of the sale of any issue of bonds may be applied.

20 (d) Limitations on the issuance of additional bonds, the terms upon
21 which additional bonds may be issued and secured, and the terms upon
22 which additional bonds may rank on a parity with, or be subordinate or
23 superior to, other bonds.

24 (e) Funding, refunding, advance refunding, or purchasing outstanding
25 bonds.

26 (f) Procedures, if any, by which the terms of any contract with bond-
27 holders may be amended, the amount of bonds the holders of which must
28 consent to the amendment, and the manner in which this consent may be
29 given.

30 (g) Defining the acts or omissions to act that constitute a default in
31 the duties of the authority to the bondholders, and providing the rights
32 and remedies of the bondholders in the event of a default.

33 (h) Other matters relating to the bonds that the board considers desir-
34 able.

35 (6) Neither the members of the board nor any person executing the bonds
36 is liable personally on the bonds or subject to any personal liability or ac-
37 countability by reason of the issuance of the bonds, unless the personal lia-
38 bility or accountability is the result of willful misconduct.

39 33-5806. BOND SECURITY. The authority may secure bonds by a trust
40 agreement, trust indenture, indenture of mortgage, or deed of trust by and
41 between the authority and one or more corporate trustees. A bond resolu-
42 tion providing for the issuance of bonds so secured shall mortgage, pledge,
43 assign, or grant security interests in some or all of the revenues to be re-
44 ceived by, and property of, the authority and may contain those provisions
45 for protecting and enforcing the rights and remedies of the bondholders that
46 are reasonable and proper and not in violation of law. A bond resolution may
47 contain other provisions determined by the board to be reasonable and proper
48 for the security of the bondholders.

1 33-5807. BONDS NOT PUBLIC DEBT. (1) The state of Idaho is not liable
2 on bonds and the bonds are not a debt of the state. All bonds shall contain a
3 statement to this effect on the face of the bond. A bond issue does not, di-
4 rectly, indirectly or contingently obligate the state or a political subdivi-
5 sion of the state to levy any tax or make any appropriation for payment of
6 the bonds. Nothing in this section prevents the authority from pledging its
7 full faith and credit to the payment of bonds.

8 (2) Nothing in this chapter authorizes the authority to create a debt of
9 the state, and all bonds issued by the authority are payable, and shall state
10 that they are payable, solely from the funds pledged for their payment in ac-
11 cordance with the bond resolution authorizing their issuance or in any trust
12 indenture or mortgage or deed of trust executed as security for the bonds.
13 The state is not liable for the payment of the principal of or interest on a
14 bond or for the performance of any pledge, mortgage, obligation or agreement
15 that may be undertaken by the authority. The breach of any pledge, mortgage,
16 obligation, or agreement undertaken by the authority does not impose pecu-
17 niary liability upon the state or a charge upon its general credit or against
18 its taxing power.

19 33-5808. STATE PLEDGE. The state of Idaho pledges to and agrees with
20 the bondholders, and persons that enter into contracts with the authority
21 under this chapter, that the state will not limit or alter the rights vested
22 in the authority by this chapter before the authority has fully met and dis-
23 charged the bonds, and any interest due on the bonds, and has fully performed
24 its contracts, unless adequate provision is made by law for the protection of
25 the bondholders or those entering into contracts with the authority.

26 33-5809. LIABILITY LIMITED. Neither the state nor any political sub-
27 division of the state, nor any officer, employee or agent of the state or a
28 political subdivision of the state who is acting within the scope of employ-
29 ment or agency, is liable for any debt, obligation, act, or omission of the
30 authority.

31 33-5810. ANNUAL REPORT. (1) Annually, the board shall submit to the
32 secretary of the senate and the chief clerk of the house of representatives,
33 for distribution to the legislature, a report on the activities of the au-
34 thority, including all of the following:

- 35 (a) Its operations, accomplishments, goals, and objectives.
- 36 (b) A statement of income and expenses for the fiscal year.
- 37 (c) Its assets and liabilities at the end of its fiscal year.
- 38 (d) A schedule of its bonds and notes outstanding at the end of its fis-
39 cal year, together with a statement of the amounts redeemed and incurred
40 during such fiscal year.

41 (2) The authority, annually on January 15, shall file with the state de-
42 partment of administration and the legislative council a complete and cur-
43 rent listing of all forms, reports, and papers required by the authority to
44 be completed by any person, other than a governmental body, as a condition of
45 obtaining the approval of the authority or for any other reason. The author-
46 ity shall attach a blank copy of each such form, report or paper to the list-
47 ing.

1 SECTION 6. STAGGERED TERMS. Notwithstanding the length of terms spec-
2 ified for the members of the board of the Idaho student loan refinancing au-
3 thority as provided for in this act of the five (5) members appointed pur-
4 suant to section 33-5802(1) (a) (iii) through (vi), Idaho Code, one (1) of the
5 initial members shall be appointed for a term expiring on July 1, 2016, two
6 (2) of the initial members shall be appointed for terms expiring on July 1,
7 2017, and the remaining two (2) initial members shall be appointed for terms
8 expiring on July 1, 2018.

9 SECTION 7. This act shall be in full force and effect on and after Jan-
10 uary 1, 2015.