

Summary

This bill:

1. Establishes a Workforce Development Student Debt Relief Fund;
2. Authorizes the BFA to establish a Targeted Workforce Development Student Relief Program for the purpose of providing student debt relief to qualified employees who work in (1) in the healthcare field; or (2) for the New Hampshire State Government; or (3) the regenerative manufacturing field;
3. Allocates 50% of assessment revenue derived from 529 College Savings Plans to the New Hampshire Excellence in Higher Education Trust Fund for the purpose of providing direct scholarships; and
4. Allocates 50% of assessment revenue derived from 529 College Savings Plans to the Workforce Development Student Debt Relief Fund to fund the Targeted Workforce Development Student Debt Relief Program; and
5. Makes necessary statutory revisions to accomplish the objectives in numbers 1-4 above.

Draft Legislative Language

1. RSAs 6:37-43 are repealed and reenacted to read as follows:

6:37 Definitions. –

In this subdivision:

- I. "Commission" means the New Hampshire college savings and scholarship commission established in RSA 195-H.
- II. "Eligible educational institution" means that which is defined in section 529 of the Internal Revenue Code, as amended.
- III. "Trust fund" means the New Hampshire excellence in higher education endowment trust fund as established in this chapter.

6:38 New Hampshire Excellence in Higher Education Trust Fund Established.–

I. There is hereby established in the office of the treasurer the New Hampshire excellence in higher education trust fund, which shall be kept distinct and separate from all other funds. Annual assessments less any annual administrative costs received from the New Hampshire college savings and scholarship commission established under RSA 195-H shall be distributed as follows:

- (a) Fifty percent of the available funds shall remain in the trust fund for the purpose of providing direct scholarships to New Hampshire residents attending New Hampshire institutions of higher education;
 - (b) Fifty percent of the available funds shall be credited to the targeted Workforce Development Student Debt Relief Fund Established under RSA 162-T:3 for the purpose of providing student debt relief.
- II. The state treasurer shall be the trustee of the trust fund established in this chapter, and shall invest the trust fund in accordance with RSA 6:8. Any earnings on trust fund moneys shall be added to the trust fund.

III. All moneys in the fund shall be nonlapsing and shall be continually appropriated to the commission for purposes of providing scholarships and student debt relief under this subdivision.

6:39 Administration. –

I. The trust fund shall be administered by the New Hampshire college savings and scholarship commission established in RSA 195-H:2.

II. The commission shall have the authority to institute promotional programs and to solicit and receive gifts or donations of any kind for the purpose of supporting educational scholarships within the trust fund. Notwithstanding any provision of law to the contrary, the commission may accept gifts to the trust fund including, but not limited to, cash gifts and real or personal property, without the approval of the governor and council.

III. All gifts, grants, and donations of any kind shall be credited to the trust fund.

IV. The commission may enter into agreements with existing departments or agencies, as it deems necessary, to administer the scholarship application, qualification, and award process.

V. No more than one percent of the total amount of scholarships awarded from the trust fund in any fiscal year shall be used for administrative expenses, except upon approval of the commission.

6:40 Rulemaking. –

The commission shall adopt rules, pursuant to RSA 541-A, relative to:

I. Establishing minimum qualifications of direct scholarship applicants.

II. Instituting a direct scholarship application process, which includes but is not limited to requiring that all applicants complete a formal scholarship application on appropriate forms to be developed by the commission and time frames for the application process.

III. Procedures for awarding and disbursing direct scholarships.

IV. Procedures for determining the amount of funds available to provide annual direct scholarships through the trust fund.

V. Any other issue which the commission deems relevant to the implementation and administration of the scholarship program.

VI. Requiring disclosure regarding any scholarship funds, or portion thereof, which are or may be returned to the trust fund.

6:41 Scholarships; Eligibility. –

I. The commission shall determine all scholarship awards in a fair and equitable manner to eligible residents of this state who have satisfactorily met the minimum qualifications established by the commission. Scholarships shall be granted on the basis of merit and need.

II. All scholarships awarded by the commission under this subdivision shall be for the period of one academic year or equivalent and in specified amounts of not less than \$100 per fiscal year within the limits established by the commission.

III. No scholarship shall be in excess of the tuition assessed to the student for the academic period in which the scholarship is received.

IV. No person to whom a scholarship is awarded shall be restricted as to the choice of institutions or programs within the state provided the institution selected by the student is an eligible educational institution. Scholarships may be used at public or private institutions by full-time or part-time students enrolled in undergraduate or graduate level programs.

6:42 Certification of Available Funds. – By April 1 of each year, the commission shall determine the funding level available for scholarships for the next academic year and shall certify such amount to the state treasurer.

6:43 Report. – By November 1 of each year, the commission shall prepare a report regarding the status of the trust fund. Such report shall be submitted to the president of the senate, the speaker of the house, the governor, and the state library, and shall be posted to the state government Internet site.

2. RSA 162-T is repealed and reenacted to read as follows:

162-T:1 Declaration of Need and Purpose. – It is declared that there is a statewide need for the preservation and development of a skilled workforce for the betterment of the economy of the state, its inhabitants. It is the purpose of this chapter to provide for the development, attraction, and retention of skilled, qualified, and productive workers within the state who will be capable of supporting the preservation, establishment, and redevelopment of business and industry, preserving or increasing the social welfare or economic prosperity of the state or its political subdivisions, and promoting the general welfare of the state's citizens. It is further declared that the business finance authority (hereinafter the "authority"), acting pursuant to the powers granted in this chapter shall be regarded as performing an essential governmental function in carrying out the provisions of this chapter.

162-T:2 Acquisition of Student Loans of Qualified New Hampshire Employees. –

I. The business finance authority, as established and authorized under RSA 162-A (hereinafter the "authority"), may expend or loan money upon such terms and conditions as prescribed by the authority to acquire loans or other evidences of education indebtedness incurred by persons for the purpose of financing postsecondary education and to provide for deferment or forgiveness of repayment of such education indebtedness pursuant to a program or programs established by the authority and approved by the governor and council pursuant to this chapter.

II. In granting deferment to any loan or other evidence of education indebtedness incurred by persons for the purpose of financing postsecondary education, the authority shall cause no interest to accrue to the principal of the loan during any period of deferment it offers.

III. Any student indebtedness that may be subject to a program or programs established by the authority under this chapter shall meet the following minimum requirements:

- (a) The person shall have achieved academic requirements such as graduate degrees or other evidence of academic achievement as has been determined by the authority;
- (b) The person shall be employed in a qualified industry as defined by RSA 162-T:7 and the principal office at which such person is employed is located within New Hampshire;
- (c) No forgiveness of such student indebtedness shall be effected unless the person shall have been employed in a qualified industry as defined by RSA 162-T:7 at a location within New Hampshire for a minimum period of 5 years.

IV. Prior to the expenditure or loan of any money under this section, the authority shall enter into one or more agreements with any person obligated to make payments under education indebtedness to provide for the conditions on which the expenditures, deferments, or forgiveness will be made, the terms of repayment of such expenditure or loan, the time and manner of such repayment, the form and amount of security if any, to be pledged to the authority for such

repayment, and such other provisions as the authority may determine are necessary or desirable. V. The authority, to further its education indebtedness loan programs pursuant to this chapter, shall have the power to:

- (a) Determine the nature of education indebtedness programs for eligible persons, including how such loans may be acquired and the mechanisms for deferral of payment or forgiveness with respect to such education indebtedness;
- (b) Enter into contracts with employers of persons who are subject to the programs established under this chapter to assist in the administration of such programs;
- (c) Enter into contracts for the administration or servicing of education indebtedness acquired pursuant to the programs established under this chapter;
- (d) Receive and accept from any public agency or any other source loans, grants, guarantees, or insurance with respect to education indebtedness and the programs established under this chapter;
- (e) Establish guidelines governing the actions of the authority with respect to the programs established under this chapter; and
- (f) Exercise all powers incidental and necessary for the performance of the powers listed in this paragraph.

162-T:3 Workforce Development Student Debt Relief Fund Established. –

I. There is established within the authority a workforce development student debt relief fund, which shall be held by the authority apart from all of its other funds. Annual state appropriations and other funds from state or federal sources, and any gifts, grants, or donations, shall be credited to the fund. The a workforce development student debt relief fund shall be administered by the authority and shall be used for the sole purposes of carrying out the purposes of RSA 162-T:2-8. The authority shall invest the fund in accordance with RSA 6:8. Any earnings on fund moneys shall be added to the fund. All moneys in the fund shall be nonlapsing and shall be continually appropriated to the fund for the purpose of providing debt relief as provided in this section.

II. The authority may create subfunds or trusts of the Workforce Development Student Debt Relief Fund, which shall be held by the authority apart from all of its other funds, which may be deemed irrevocably pledged to secure the repayment of state workforce development bonds issued under RSA 162-T:4. If such a pledged amount or amounts are called upon to be honored, the authority shall draw upon such fund for the purpose of honoring such pledge.

162-T:4 Issuance of Bonds. –

I. The authority may issue bonds pursuant to this section which shall be obligations of the authority and not general obligations of the state, except as provided in RSA 162-A:17. Such bonds may be issued from time to time consistent with the purposes and provisions of this chapter to make expenditures under RSA 162-T:2, to pay or refund any bonds issued pursuant to this section or interest thereon, or to pay the costs and expenses of the authority. The principal of, and premium, if any, and interest on all bonds shall be payable solely by the authority in accordance with the provisions of this chapter. The bonds shall be issued by the authority in such amounts as the board shall determine, consistent with state appropriations from RSA 6:38 I(b) and any other appropriations from any sources as the legislature may see fit. Bonds of each issue shall be dated, shall bear interest at such rate or rates, including rates variable from time to time as determined by such index, banker's loan rate or other method as may be determined by the authority, and shall mature at such time or times as may be determined by the authority, except

that no bonds shall mature more than 30 years from their date of issue. Bonds may be made redeemable before maturity either at the option of the authority or at the option of the holder, or upon the occurrence of specified events, at such price or prices and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form and details of the bond. The bonds may be sold in such manner, either at public or private sale, for such price, at such rate or rates of interest, or at such discount in lieu of interest as the authority may determine.

II. Every bond shall be signed on behalf of the authority by 2 persons designated by the authority. One person shall be a member of the board who is also the chairperson of the board, or the vice chairperson of the board, or the treasurer of the authority, or an assistant treasurer of the authority. The other person shall be any member of the board or the executive director of the authority. The signatures may be manual or facsimile but at least one signature on every bond shall be manual, unless the bond bears a manual authentication or certification by a bank, trust company or other financial institution, in which case both signatures on behalf of the authority may be facsimile. Interest coupons, if any, shall bear the facsimile signature of one of the persons signing the bond on behalf of the authority. Bonds shall also bear the seal of the authority or a facsimile of the seal. Bonds executed as provided in this paragraph shall be valid notwithstanding that any or all of the persons whose signatures appear on the bond shall have ceased to hold office before delivery of and payment for the bond.

III. Any bonds issued under this chapter may be issued pursuant to and entitled to the benefits of a security document between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state, or by a security document directly between the authority and the purchasers of the bonds. Such security document shall be in such form and executed in such manner as may be determined by the board. Such security document may include the mortgage, pledge, or grant of a security interest in any property of the authority and may pledge or assign, in whole or in part, the revenues held or to be received by the authority, any contract or other rights to receive the revenues, whether then existing or thereafter coming into existence and whether then held or thereafter acquired by the authority, and any proceeds thereof. Such security documents may contain provisions for protecting and enforcing the rights, security, and remedies of the bondholders as may, in the discretion of the board, be reasonable and proper and not in violation of law. Such security documents may include provisions defining defaults and providing for remedies in the event of defaults, which may include the acceleration of maturities and the enforcement of any mortgage, pledge or security interest, and covenants setting forth the duties of, and limitations on, the authority in relation to the custody, safeguarding, investment, and application of moneys, the issue of additional or refunding bonds, the fixing, revision and collection of fees and other revenues, the use of bond proceeds, the establishment of reserves, the acquisition of any property or interest therein or undertaking of any project, any contracts relating thereto and subsequent amendments of such provisions and contracts. It shall be lawful for any bank or trust company to act as a depository or trustee of the proceeds of bonds, revenues, or other moneys under a security document and to furnish such indemnification or to pledge such securities and issue such letters or lines of credit or credit facilities as may be required by the authority acting under the paragraph. Any such security document may set forth the rights and remedies of bondholders and of the trustee and may restrict the individual right of action by bondholders.

IV. Any bonds issued under authority of this chapter may be issued pursuant to lines of credit or other banking arrangements under such terms and conditions not inconsistent with this chapter,

and under such agreements with the purchasers or makers thereof, as the board may determine to be in the best interests of the authority. In addition to other security provided herein or otherwise by law, bonds issued by the authority under this section may be secured, in whole or in part, by insurance or by letters or lines of credit or other credit facilities issued to the authority by any bank, trust company or other financial institution, within or without the state, and the authority may make any pledge, mortgage, assignment or security interest in respect of its property and revenues as security for the reimbursement by the authority to the issuers of such letters or lines of credit, insurance or credit facilities, or any payments made thereunder.

V. Any mortgage, pledge or security interest made by the authority under this chapter shall be valid and binding and shall be deemed continuously perfected for the purposes of RSA 382-A and all other laws from the time when the mortgage, pledge, or security interest is made. The property or revenues so mortgaged, pledged, or subjected to a security interest then held or thereafter acquired or received by the authority shall immediately be subject to the lien of such mortgage, pledge, or security interest without any physical delivery or segregation thereof or further act. The lien of such mortgage, pledge, or security interest shall be valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. No such property or revenues may be used in a manner inconsistent with the terms governing such mortgage, pledge, or security interest. Any agreement by which a pledge or security interest in personal property is created under this chapter shall be filed or recorded in the records of the secretary of state. Any mortgage or other agreement by which a security interest in real property is created under this chapter shall be filed with the register of deeds for the county in which such property is located.

VI. Any owner of a bond issued under the provisions of this section and any trustee under a security document securing the same, except to the extent the rights given in this paragraph may be restricted by such security document, may bring suit upon the bonds and may, either at law or in equity, by suit, action, mandamus, or other proceeding for legal or equitable relief, protect and enforce any and all rights under the laws of the state granted hereunder or under such security document, and may enforce and compel performance of all duties required by this chapter or by such security document to be performed by the authority or by any director or officer of the authority.

VII. The authority may issue refunding bonds for the purpose of paying any bonds issued under the provisions of this section at or prior to maturity or upon acceleration or redemption. Refunding bonds may be issued at such times prior to the maturity or redemption of the bonds being refunded as the board may determine. The refunding bonds may be issued in sufficient amounts to pay or provide the principal of the bonds being refunded, together with any redemption premium thereon, any interest accrued or to accrue to the date of payment of such bonds, the expenses of issue of the refunding bonds, the expenses of redeeming the bonds being refunded, and such reserves for debt service or other expenses from the proceeds of such refunding bonds as may be required by a security document securing the bonds. The authorization and issue of refunding bonds, the maturities and other details thereof, the security therefor, the rights of the holders thereof, and the rights, duties and, obligations of the authority in respect to the same shall be governed by the provisions of this chapter relating to the issue of bonds other than refunding bonds insofar as the same may be applicable.

VIII. Any debt service fund or debt service reserve fund established in connection with the issuance of bonds under this chapter shall be kept separate from other moneys of the authority. All proceeds of any bonds issued under this chapter, together with the income derived therefrom,

shall be expended without further authorization or appropriation as provided for in the security document with respect to such bonds.

IX. Moneys in any fund or account created under the provisions of this chapter, subject to the terms and provisions of any security document applicable thereto, may be invested. Except as otherwise provided by any such security document, obligations so purchased as an investment of money in said fund or account shall be deemed at all times to be part of said fund or account, and the interest thereon and any profit arising from the sale thereof shall be credited to said fund or account, and any loss resulting on their sale shall be charged to said fund or account, respectively.

X. The state does hereby pledge to and agree with the holders of bonds issued under this chapter that the state shall not limit or alter the rights hereby vested in the authority to fulfill the terms of any agreements made with the holders of such bonds or in any way impair the rights and remedies of such holders until such bonds, together with the interest on them, with the interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the state in any agreement with the holders of such bonds.

XI. Bonds issued under this section and their transfer and income, including any profit made on their sale or transfer, shall at all times be exempt from all taxation by or within the state.

XII. Notwithstanding any of the provisions of this chapter or any recitals in any bonds issued under this section, all such bonds shall be deemed to be investment securities under RSA 382-A.

XIII. No bonds or other obligations shall be issued except after the governor and council, or their designee, after hearing, shall have found that:

(a) The proposed issuance will serve a public use and provide a public benefit.

(b) The proposed issuance is within the policy of, and the authority conferred by, this chapter.

(c) The proposed issuance will preserve or increase the social welfare or economic prosperity of the state and one or more of its political subdivisions, and will promote the general welfare of the state's citizens.

(d) The proposed issuance will promote the orderly development of business activities, create or preserve employment opportunities, or protect the physical environment.

(e) Adequate provision has been or will be made for the payment of the principal of, or interest on, any obligations issued by the authority to finance such loan programs.

(f) Adequate provision has been made for the payment of the reasonable expenses of administration of the loan programs as are necessitated by the programs.

162-T:5. – Development of Program to Provide Student Debt Relief for Targeted Workforce Needs.

I. The authority shall also have the power to expend or loan money upon such terms and conditions as prescribed by the authority to acquire loans or other evidences of education indebtedness incurred by persons for the purpose of financing postsecondary education and to provide for deferment or forgiveness of repayment of such education indebtedness pursuant to a program or programs established by the authority and approved by the governor and council pursuant to this subchapter.

II. Any student indebtedness that may be subject to a program or programs established by the authority under this chapter shall meet the following minimum requirements:

- (a) The person shall have achieved academic requirements such as graduate degrees or other evidence of academic achievement as has been determined by the authority;
- (b) The person shall be employed to perform a qualified primarily activities within qualified industries as defined by RSA 162-T:7 so long that no greater than \$5,000,000 is expended for the purpose of providing assistance for individuals covered by RSA 162-T:7(c) ;
- (c) The principal office at which such person is employed shall be located within New Hampshire;
- (d) No forgiveness of such student indebtedness shall be effected unless the person shall have been employed to perform primarily targeted activities at a location within New Hampshire for a minimum period of 5 years.

III. Prior to the expenditure or loan of any money under this section, the authority shall enter into one or more agreements with any person obligated to make payments under education indebtedness to provide for the conditions on which the expenditures, deferments, or forgiveness will be made, the terms of repayment of such expenditure or loan, the time and manner of such repayment, the form and amount of security if any, to be pledged to the authority for such repayment, and such other provisions as the authority may determine are necessary or desirable.

IV. The authority, to further its education indebtedness loan programs pursuant to this subchapter, shall have the power to:

- (a) Determine the nature of education indebtedness programs for eligible persons, including how such loans may be acquired and the mechanisms for deferral of payment or forgiveness with respect to such education indebtedness;
- (b) Enter into contracts with employers of persons who are subject to the programs established under this chapter to assist in the administration of such programs;
- (c) Enter into contracts for the administration or servicing of education indebtedness acquired pursuant to the programs established under this chapter;
- (d) Receive and accept from any public agency or any other source loans, grants, guarantees, or insurance with respect to education indebtedness and the programs established under this chapter;
- (e) Establish guidelines governing the actions of the authority with respect to the programs established under this chapter; and
- (f) Exercise all powers incidental and necessary for the performance of the powers listed in this paragraph.

162-T:7 Qualified Industries and roles. –

I. For the purpose of this section the following industries shall be considered qualified industries, whose employees are eligible for the Workforce Development Student Debt Relief Program outlined in this section:

- (a) Healthcare, so long as the individual is employed in a medical role providing direct care to patients;
- (b) State Government, so long as the individual is not a participant in any Federal or private student debt assistance or forgiveness program;
- (c) Regenerative manufacturing, as defined in RSA 77-A:1.

162-T:8. – Workforce Development Student Debt Relief Program. – The business finance authority shall undertake to design the terms, conditions, and provisions of the program authorized by this chapter. The authority shall deliver to the fiscal committee of the general court a report on the progress of its efforts to develop such terms, conditions, and provisions at the times required by RSA 162-T: Prior to taking any action to implement a Workforce Development Student Debt Relief Program pursuant to this subchapter, the authority shall first present the program to the fiscal committee of the general court and receive the approval of such committee.

3. RSA 195-H is repealed and reenacted to read as follows:

195-H:1 Definitions. –

In this chapter:

- I. "Commission" means the New Hampshire college savings and scholarship commission .
- II. "Eligible educational institution" means that which is defined in 26 U.S.C. section 529(e)(5).
- III. "Savings plan" means any plan administered as the New Hampshire college tuition savings plan.

195-H:2 Commission Established; Reports. –

I. (a) There is established the New Hampshire college savings and scholarship commission which shall ensure the proper administration and management of the savings plan. The advisory commission shall ensure that the savings plan complies with the requirements of section 529 of the Internal Revenue Code of 1986, as amended, and any related federal law applicable to the savings plan. The commission shall also be responsible for ensuring the proper administration, implementation, and management of the New Hampshire excellence in higher education endowment trust fund established in RSA 6:38. The commission shall consist of the following members:

- (1) The state treasurer.
- (2) Two members of the house of representatives, one of whom shall be a member of the house finance committee, appointed by the speaker of the house.
- (3) Two members of the senate, appointed by the senate president.
- (4) The governor, or designee.
- (5) Two public members, one of whom shall have business experience, appointed by the governor.
- (6) One member representing the college and university system of New Hampshire, appointed by the chancellor.
- (7) One member of the higher education commission established in RSA 21-N:8-a, II, appointed by majority vote of the members of the commission.
- (8) One member representing the community college system of New Hampshire, appointed by the chancellor of the community college system of New Hampshire.
- (9) One member representing the New Hampshire college and university council, appointed by the members of the council.
- (10) One member representing the New Hampshire Higher Education Assistance Foundation, appointed by the foundation.

(b) Except for the members appointed under subparagraphs (a)(1)-(4), members shall be appointed for 2-year terms.

II. Members of the commission shall serve without compensation, except that legislative members shall receive mileage at the legislative rate.

III. The commission shall keep written records of all its proceedings.

IV. No member of the commission shall have any personal interest in the gains or profits of any investment made by the commission; nor shall any member of the commission, directly or indirectly, for such member or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the commission; nor shall any member of the commission become an endorser or surety, or in any manner an obligor, for money loaned to or borrowed from the commission.

V. Members of the commission shall be held harmless from either criminal or civil liability for any decisions made or services rendered under the provisions of this chapter.

VI. (a) The state treasurer shall make quarterly reports regarding the status of the savings plan to the commission.

(b)(1) At least annually, the commission shall issue to each participant, a statement which shall include the participant's beginning balance, contributions, and earnings credited to their account during the previous fiscal year.

(2) At least annually, the commission shall make annual reports regarding the status of the savings program to each participant in the savings plan and to the state library.

195-H:3 Rulemaking. –

The commission shall adopt rules relative to:

I. The administration, management, promotion, and marketing of the savings plan.

II. Maintaining the tuition savings program in compliance with Internal Revenue Service standards for qualified state tuition programs.

III. The administration, implementation, and promotion of the New Hampshire excellence in higher education trust fund established in RSA 6:38 and the governor's scholarship program and fund established in RSA 4-C:31-34.

195-H:4 College Tuition Savings Plan. –

I. (a) The treasurer shall, as needed, issue requests for proposals to evaluate and determine the vehicle for investments of the savings plan and its administration.

(b) The commission shall consider and, if appropriate, give preference to proposals best meeting the following criteria:

(1) Ability to administer financial programs with individual account maintenance and reporting.

(2) Ability to develop and administer an investment program of a nature similar to the objectives of the college tuition savings plan.

(3) Ability to augment the college tuition savings plan with other programs or informational services considered beneficial by the commission.

(c) The final selection of the vehicle for investments and its administration shall be made by the commission.

II. The commission shall determine and make recommendations regarding the use of personnel in the treasurer's office with costs for such administrative support to be funded from the savings plan.

III. The savings plan shall be on a "cash only" basis, and shall include provisions for automatic

deductions.

IV. The savings plan shall be established in such form as shall be determined by the commission and may be established as a trust to be declared by the state treasurer. The savings plan or such trust may be divided into multiple investment portfolios. If so divided, and if distinct records are maintained for any such portfolio and the assets associated with any such portfolio are accounted for separately from the other assets of the trust, then the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to a particular portfolio shall be enforceable against the assets of such portfolio only, and not against the assets of the trust generally.

195-H:5 Residency. – Persons shall be eligible to participate in and benefit from the savings plan, regardless of state of residency.

195-H:6 Liability Exemption. – Neither the state nor any eligible educational institution shall be liable for any shortage of funds in the event that the accruals from the savings plan are insufficient to meet the tuition requirements of such institution chosen by the student for which the plan was intended.

195-H:7 Funds Exempt From Interest and Dividends Tax. – Income and distributions from any qualified tuition program as defined in the Internal Revenue Code of 1986, as amended, shall be exempt from the New Hampshire interest and dividends tax pursuant to RSA 77:4-e, provided that distributions from the plan which are subject to federal income tax shall be subject to the interest and dividends tax pursuant to RSA 77 on the accrued income portion of the savings plan distribution.