

# PROCLAMATION

BY THE

## Governor of the State of Texas

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TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 40 as passed by the Eighty-Second Texas Legislature, Regular Session, because of the following objections:

Senate Bill 40 would make a number of changes to the enabling statute of the Texas Guaranteed Student Loan Corporation (TGSLC), a state-chartered nonprofit corporation that serves as the guarantor for subsidized student loans originated under the Federal Family Education Loan Program (FFELP). FFELP was terminated last year by the federal government.

Many of the changes in Senate Bill 40, such as allowing TGSLC board members to attend meetings via teleconference or requiring TGSLC's to appoint an ombudsman for internal complaints, are good for TGSLC and the state. However, their benefits are outweighed by other parts of the bill.

Senate Bill 40 gives TGSLC much broader authority to enter into revenue-generating activities, but does so at a time when TGSLC loan portfolio will shrink, limiting the resources available for new ventures and exposing TGSLC's operating fund to additional risk.

TGSLC also faces uncertainty at the federal level. TGSLC is a strong guarantor, but it would be unwise to commit scarce resources without additional clarity as to future policies regarding guarantors and the residual FFELP portfolio.

Senate Bill 40 also contains language regarding the governor's appointments to TGSLC that conflicts with TGSLC language in other bills that are moving toward passage in the special session.

Since the Eighty-Second Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



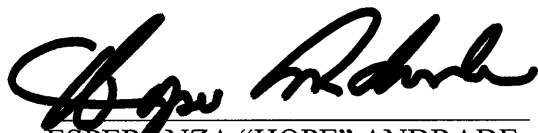
IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 17th day of June, 2011.

*Rick Perry*  
RICK PERRY  
Governor of Texas

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
O'CLOCK

JUN 17 2011

ATTESTED BY:



ESPERANZA "HOPE" ANDRADE  
Secretary of State

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
\_\_\_\_\_ O'CLOCK

JUN 17 2011