BOBBY JINDAL
GOVERNOR

OFFICE OF THE GOVERNOR

Post Office Box 94004
Baton Rouge, LA 70804-9004

June 19, 2015

The Honorable Alfred Speer
Clerk of the House of Representatives
State Capitol
Baton Rouge, LA 70802

Re: House Bill No. 555 by Representative James Fannin

Dear Mr. Speer:

House Bill No. 555 expands the definition of a dealer to include any company that uses a domiciled affiliate to conduct business in the state. The idea of "affiliate nexus" has been litigated in several states, forcing those states to change their laws to conform with the court's respective decision and creating financial instability as a result. In 2011, I expressed my opposition to similar legislation, House Bill No. 641, which failed to pass.

Until Congress acts on the federal level to address the Commerce Clause issues with affiliate nexus and establish a uniform law on how states should handle companies that have no physical presence within their borders, House Bill No. 555 exposes Louisiana to expensive litigation that has budgetary implications for critical services like healthcare and higher education.

For these reasons, I have vetoed House Bill No. 555 and hereby return it to the House of Representatives.

Sincerely,

Bobby Jindal
Governor

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House of Representatives
Clerk's Office

cc: Honorable Glenn Koepp