July 1, 2021

VIA HAND DELIVERY

Honorable Clay J. Schexnayder
Speaker of the House
Louisiana House of Representatives
Post Office Box 94062
Baton Rouge, Louisiana 70804-9062

RE: Veto of House Bill 597 of the 2021 Regular Session

Dear Speaker Schexnayder:

Please be advised that I have vetoed House Bill 597 of the 2021 Regular Session.

This bill purports to prevent the State of Louisiana and local governments from contracting with entities that “discriminate” against gun companies or gun trade associations. What this bill would actually do is prevent the State and local governments from complying with long-standing procurement laws which require that public contracts be awarded to the lowest qualified bidder. This issue is most likely to come up in the area of government borrowing from national banks. Thus, if this bill were to be signed into law, the State and local governments would be forced to accept financing at a higher interest rate than would otherwise be available in the market. Further, on competitive bond sales, banks will likely no longer offer their lowest interest rates because they will not have to compete with the banks that would be precluded under this legislation. In short, this bill will come at a significant cost to Louisiana taxpayers and will have no effect on changing the policies of any financial institution.

This bill was amended in the Senate with a change which would have added language to the bill providing for it to be inapplicable if the governmental entity determined that the requirement was “inconsistent with the entity's constitutional, statutory, or fiduciary duties.” Despite the fact that this amendment was adopted without opposition, it was stripped off in conference committee. If the bill had been sent to my desk with that amendment, it may have been acceptable as it would have allowed for governments to avoid any significant financial consequences resulting from this legislation. However, this common sense amendment was removed, and thus I have vetoed the bill.

Sincerely,

John Bel Edwards
Governor

cc: Honorable Patrick Page Cortez
    Louisiana Senate President