
DIGEST

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HB No. 319

Abstract: Enacts the "Business Corporation Act".

Present law (R.S. 12:1-178) provides with regard to the Business Corporation Law.

Proposed law repeals present law.

Proposed law (R.S. 12:1-101-1-1704) enacts the "Business Corporations Act", modeled after the Model Business Corporations Act.

Present law (R.S. 12:1501) provides for the applicability of Chapter 24 of Title 12 of the La. Revised Statutes of 1950 to all business organizations defined in R.S. 12:1502(B), except as provided in R.S. 12:92(D), 93(D), or 1328(C).

Proposed law repeals present law.

Present law (R.S. 12:1502(A)) provides for the applicability of present law to business organizations formed under the laws of the state and to actions against officers, directors, shareholders, members, managers, general partners, limited partners, managing partners, or other persons similarly situated.

Proposed law provides an exception for actions governed by R.S. 12:1-622, 1-833, 1-1407, or 12:1328(C).

Present law (R.S. 12:1601) provides definitions applicable to Chapter 25 of Title 12 of the La. Revised Statutes of 1950.

Proposed law repeals present law and provides for the conversion of domestic business entities.

Present law (R.S. 12:1602) provides for the conversion of domestic entities.

Proposed law repeals present law and provides definitions applicable to Chapter 25 of Title 12 of the La. Revised Statutes of 1950. Proposed law further provides that terms defined in the Business Corporation Act have the same meaning in Chapter 25 of Title 12 of the La. Revised Statutes of 1950.

Present law (R.S. 12:1603) sets forth the conversion application requirements for business

organizations.

Proposed law repeals present law and provides tax filing requirements for converting entities.

Present law (R.S. 12:1604) provides for the filing and recording of a conversion application and the issuance and effect of a certificate of conversion.

Proposed law repeals present law and provides for the continuation and updating of a professional or other license.

Present law (R.S. 12:1605) provides for the effect of conversion.

Proposed law repeals present law.

Present law (R.S. 12:1606) provides for tax filing requirements for converting business organizations.

Proposed law repeals present law.

Present law (R.S. 12:1607) provides for the recognition of conversion and updating of a professional license.

Proposed law repeals present law.

Present law (R.S. 12:1701) provides for judicial review of the removal of officers, members, managers, and partners.

Proposed law deletes present law and provides for filing methods.

Proposed law (R.S. 12:1702) provides for the confidentiality of electronic mail addresses and short message service numbers submitted to or captured by the secretary of state.

Proposed law (R.S. 12:1703) provides for electronic notification of status changes when a filing has occurred that may remove a person's name from documents and records of an entity.

Proposed law (R.S. 12:1704) provides for judicial review of the removal of officers, members, managers, and partners.

Present law (R.S. 44:4.1(B)(5)) provides an exception to the laws pertaining to public records for records attained under R.S. 12:2.1.

Proposed law amends present law to provide an exception to laws pertaining to public records for records attained under R.S. 12:1702.

Present law (R.S. 49:222(B)(1)) provides for fees chargeable by the secretary of state for

domestic corporations and limited liability companies.

Proposed law amends present law to authorize the secretary of state to collect fees for documents permitted to be filed under the Business Corporation Act.

Present law (R.S. 49:222(B)(6)) provides for fees chargeable by the secretary of state for business entity conversions.

Proposed law amends present law to provide for fees for articles of entity conversion and to authorize the secretary of state to collect fees for conversions permitted to be filed under the Business Corporation Act.

Present law (C.C.P. Art 611) provides for derivative actions.

Proposed law maintains present law and provides that a "derivative proceeding" as defined in the Business Corporation Act is exempt from the provisions of Chapter 5 of Title II of the Code of Civil Procedure and subject to the relevant provisions of the Business Corporations Act.

Effective Jan. 1, 2015.

(Amends R.S. 12:1501, 1502(A), 1601-1604, and 1701, R.S. 44:4.1(B)(5), R.S. 49:222(B)(1) and (6), and C.C.P. Art. 611; Adds R.S. 12:1-101-1-1704 and 1702-1704; Repeals R.S. 12:1-178 and 1605-1607)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Clarified that proposed law applies to a voting trust beneficial owner.