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SB 279 Engrossed

DIGEST
2026 Regular Session

Morris

Present law provides relative to financial institutions.

Present law provides that shares of a financial institution must be represented by certificates of stock unless the issuing corporation participates in the Direct Registration System of the Depository Trust & Clearing Corporation.

Present law allows the board of directors of a corporation to authorize the issue of the shares without certificates. Provides that the authorization does not affect shares already represented by certificates until they are surrendered to the corporation.

Proposed law changes present law to provide that the board of directors may authorize the issue of shares as uncertificated shares, including the use of a book entry or any other electronic method for documenting shareholder ownership.

Proposed law provides a process for the conversion of stock certificates to uncertificated shares. Provides that the provisions of proposed law shall apply to any state-chartered bank, bank holding company, capital stock association and its holding company, and state-chartered savings bank and its holding company.

Present law provides for the regulation of corporations in the Business Corporation Act, including the form and content of certificates issued by a corporation.

Proposed law retains present law and provides for use of uncertificated shares as provided in proposed law relative to financial institutions and their holding companies.

Effective August 1, 2026.

(Amends R.S. 6:255(A) and (G) and 1204, R.S. 12:1-625(A); adds R.S. 6:707(E))