

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 621

2018 Regular Session

Foil

SECRETARY OF STATE: Provides relative to omnibus corporate filing regulations

Synopsis of Senate Amendments

1. Adds Legislative Bureau technical amendments.

Digest of Bill as Finally Passed by Senate

Present law requires that a contract for partnership filed for registry with the secretary of state contain the name and taxpayer identification number of the partnership, the address of its principle place of business, and the name and address of each partner.

Present law requires a registered limited liability partnership to contain the words "registered limited liability partnership" or the abbreviation "L.L.P." as part of its name.

Proposed law retains present law and further provides that if a partnership registers a name denoting a financial institution, an engineer or surveyor professional, or an architect or other derivative of the professions, the partnership is required to provide a written letter to the respective board or office notifying the board or office of the name and have evidence that the notice of proposed use was delivered and that the time period has lapsed for objection to the proposed use of the name.

Present law provided passive language regarding the makeup and characteristics of corporate names. Proposed law clarifies language that appears to be mandatory but was not, and makes mandatory that a corporate name shall contain the word "corporation", "incorporated", "company", "limited", "corp.", "inc.", "co.", or "ltd."

Present law requires that unless authorized by the other registrant in writing or granted to the applicant by court order, an applicant must use a distinguishable name. Proposed law clarifies the language to specify that the applicant shall use a name distinguishable upon the records of the secretary of state unless meeting the exceptions in present law.

Present law further requires that the corporate name be expressed in English letters or characters and not imply that the company is an administrative agency of this state, its political subdivisions, or of the United States. Proposed law retains present law and further requires that the name not contain any words or phrases that consist of immoral, deceptive, or scandalous matter.

Present law provides that articles of incorporation may contain provisions dealing with the number and qualifications of shareholders and members, property rights, basis of voting, and any other rights or privileges and liabilities of members and shareholders.

Proposed law retains present law and further allows shareholders to include a provision to eliminate or limit personal liability of a director or officer for damages for a breach of fiduciary duty, except as it applies to loyalty to the corporation or acts or omissions not in good faith or intentional misconduct.

Proposed law also allows provisions that permit for dividends and property or share dividends, among other financial benefits.

Proposed law prohibits a limited liability company name from containing the word "insurance" unless the limited liability company is an independent insurance agency or brokerage firm.

Present law allows a domestic or foreign limited liability company to file for conversion with the secretary of state. Proposed law retains present law and provides that if the company is manager-managed, the manager shall execute the written request for conversion and if the company is member-managed, a member shall execute the request.

Present law provides that after the approval of the commissioner, articles showing the approval shall be filed with the secretary of state. Present law further provides for an initial and subsequent report. Proposed law deletes the provisions related to the initial and subsequent report.

Proposed law provides that after all fees have been paid, the secretary of state shall record the articles as filed on the date and time of receipt and that after filing the articles, he shall deliver a copy of the document with acknowledgments to the corporation.

Present law requires a post office address of a company's registered office. Proposed law requires a street address.

Present law provides for the filing fee of \$75 and the recording of corporation articles of incorporation, articles of amendment, articles of restatement, articles of domestication, articles of charter surrender, articles of nonprofit conversion, articles of nonprofit domestication and conversion, articles of dissolution, articles of revocation of dissolution, articles of reinstatement, articles of merger or share exchange, and articles of correction.

Proposed law retains present law and adds for the recordation of abandonment proceedings and simplified articles of termination.

Proposed law raises the filing fee from \$25 to \$30 for annual reports for partnerships.

Present law provides for a \$75 cost for registering, renewing, or terminating a trade name, trademark, or service mark. Proposed law adds assigning to the list and otherwise retains present law.

Proposed law provides a \$600 fee for filing applications for home service contract provider applications and a \$250 fee for filing renewals.

Present law provides for the registration of a mark by which the goods or services of any applicant to be distinguished from another. Proposed law retains present law and adds a name to the possibilities of registration, along with or instead of a mark.

Proposed law makes technical changes.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 9:3403 and 3433, R.S. 12:1-202(A)(intro. para.) and (B)(1), 1-401(A)(1)-(3)(intro. para.), (B)(intro. para.), (C)(intro. para.) and (1), (D)(intro. para.), (F), and (G), 1-1444(E)(2)(b), 203(C), 204(A), (B)(intro. para.) and (1), and (F), 303(A)(3) and (B), 304(A)(2), 312.1, 1306(A)(3)(intro. para.) and (a) and (4) and (E), and (F), 1308.3(C)(intro. para.), 1344, 1345(A)(2), and 1811(A) and (B), R.S. 22:62 (intro. para.), (1)-(4), (6)-(8), and (10), 232.2(A)(intro. para.) and (2)-(4), and (D), 243(B)(intro. para.), (4) and (8) and (D)-(F), R.S. 49:222(B)(1)(intro. para.), (a), (b), (e), and (f), (2)(intro. para.), (4)(c) and (f), (5)(b), and (6) and R.S. 51:212 (intro. para.) and (5) and 3143(C); Adds R.S. 12:1-401(A)(3)(e) and 1306(A)(5) and R.S. 49:222(B)(14); Repeals R.S. 3:85(C) and 148, R.S. 22:232.2(A)(5), and R.S. 49:222(5)(f)-(h))