Barnett in the Texas Bar Journal: Open for Business – Examining the Stock Exchanges of 'Y'all Street'

By James Barnett | November 11, 2026

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Haynes Boone Associate **James Barnett** authored an article for the *Texas Bar Journal* examining the emergence of "Y'all Street" and the growing role of Texas in the national capital markets. Barnett explores the launch of the Texas Stock Exchange, NYSE Texas and Nasdaq Texas, and how these exchanges, alongside recent changes to Texas business law, are positioning the state as a leading destination for corporate listings, governance and dispute resolution.

Read the full article **here** and below.

"Y'all Street," shorthand for the Texas-based ecosystem spanning commercial dispute resolution, capital markets and corporate governance, marks a structural shift in American enterprise. At the start of 2024, no national securities exchange operated under a Texas identity. Today, there are three. But only one — the Texas Stock Exchange — was built in Texas. The other two are existing exchanges that were relocated from Illinois and Massachusetts and rebranded.

The Texas Stock Exchange LLC (TXSE) (pronounced "tex-ee") was announced on June 5, 2024, and filed its Form 1 registration application on Jan. 31, 2025. The first relocated exchange, NYSE Texas, Inc. (NYSE Texas), formerly NYSE Chicago, Inc., was announced in February 2025 and opened the following month as a dual-listing venue. The other relocated exchange, Nasdaq Texas, LLC (Nasdaq Texas), formerly Nasdaq BX, Inc., was announced in November 2025 and launched as a dual-listing venue in March 2026. TXSE, whose parent, TXSE Group Inc., has raised approximately $430 million from institutional investors including BlackRock, Citadel Securities, Charles Schwab, J.P. Morgan, Bank of America and Goldman Sachs, launched trading in July 2026 and primary listings in September 2026.

THE BASIC LANDSCAPE

The two relocated exchanges are dual-listing venues. Companies listed on another exchange also may list on NYSE Texas without a new ticker or additional cost. Nasdaq Texas follows a similar model, with standards substantially mirroring those of the Nasdaq Global Market. NYSE Texas and Nasdaq Texas so far have offered only dual listings, but each has taken steps toward adding primary listings.

TXSE differs. It is the first fully integrated exchange — offering trading, listings and data — to receive national securities exchange registration in decades. Live trading began July 6, 2026, and by month's end all 13,000-plus National Market System (NMS) symbols were available. As of Sept. 23, 2026, TXSE had five primary listings of exchange-traded funds, including two that Texas Capital Bancshares, Inc. (Texas Capital) transferred from NYSE Arca. Initial public offerings are planned for 2027.

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On Sept. 10, 2026, Energy Transfer LP (Energy Transfer), ranked 50th in the 2026 Fortune 500, announced the first corporate transfer, from NYSE to TXSE, effective Oct. 5, along with three of its affiliates, Sunoco LP, SunocoCorp LLC and USA Compression Partners, LP. Texas Capital, Origin Bancorp, Inc., and Dillard's, Inc. have followed, comprising a roster spanning energy, banking and retail across multiple states.

LIQUIDITY AND THE LISTING DECISION

Some companies reportedly are being advised by counsel to take a "wait-and-see" approach to TXSE. A common misconception is that listing on a new venue sacrifices liquidity. Before the Securities and Exchange Commission adopted Regulation NMS in 2005, NYSE executed roughly 80 percent of the share volume in its listed stocks. Nasdaq trading was already more dispersed: In September 2000, electronic communications networks handled 25.8 percent of Nasdaq share volume. Trading is spread across more than a dozen exchanges, more than two dozen alternative trading systems and off-exchange dealers, and by early 2025, most U.S. equity volume executed off-exchange. Liquidity, in other words, attaches to the symbol, not the listing venue.

Even if liquidity concerns carry little weight given today's market structure, the listing venue still matters: It runs the closing auction, which accounts for more than 10 percent of trading in the largest U.S. stocks, and issuers may weigh brand, investor relations and other considerations differently. Index inclusion is also an important consideration, and all major providers, including S&P Dow Jones Indices, MSCI and FTSE Russell, have announced updates to their methodologies to feature TXSE-listed securities, ensuring that companies transferring to TXSE remain eligible for inclusion, subject to each index's other criteria.

WHAT THE EXCHANGES MEAN FOR TEXAS PRACTITIONERS

TXSE (along with NYSE Texas and Nasdaq Texas) is part of a broad state effort — in conjunction with the Texas Business Court and the 2025 amendments to the Texas Business Organizations Code (TBOC) — to make Texas the preferred domicile for public companies.

Several TBOC provisions tie their benefits to a national securities exchange listing. Section 21.419 applies its codified business judgment presumptions to Texas corporations with voting shares so listed or that affirmatively elect coverage. Section 21.552 permits Texas corporations with common shares so listed, and Texas corporations with 500 or more shareholders that have opted into Section 21.419, to set an ownership threshold of up to 3 percent of outstanding shares for derivative proceedings. Section 21.373 allows an electing "nationally listed corporation" to impose minimum ownership levels for shareholder proposals, but only if it also has its principal office in Texas or is listed on a Texas-headquartered stock exchange approved by the Texas Securities Commissioner. The commissioner has approved all three Texas exchanges.

PRACTICAL TAKEAWAYS

Together, the Business Court, the exchanges and a modernized business statute make Texas an increasingly integrated venue for incorporation, capital formation and dispute resolution. Transactional lawyers and commercial litigators should expect this framework to surface more often and know when to involve securities counsel. Texas has mounted a credible challenge to the century-long primacy of New York and Delaware for business establishment, governance and litigation.

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