

Secretary of State

Mission and philosophy

The Wyoming Secretary of State's office and staff serve the residents of Wyoming by providing:

- accurate, timely and courteous information and referral services;
- statutory filings and registrations;
- regulation and enforcement in the areas of:
 - corporations/businesses/trademarks/trade names;
 - Uniform Commercial Code transactions (UCC's);
 - central filing (agricultural products, liens, searches);
 - securities/notaries public;
 - elections/lobbying/ethics;
 - state rules and regulations;
 - state lands;
 - state investments;
 - e-commerce and/or resident representation; and
 - legislation.

The secretary of state and his staff take pride in their work and appearance; demonstrate a strong work ethic; show that they care about their customers by giving knowledgeable, timely and courteous service; are organized and constantly review and modify procedures and technology to keep public service at its best and costs down; and present the office in a friendly, professional way. The staff gives to their jobs their best effort while valuing common sense. They are honest and respect each other's opinions, support good will, cooperation and loyalty. They are committed to continuing their education and/or training to maintain a high level of professional expertise and competency.

Results of outcomes

Outcomes in the office are measured as substantial movement toward accomplishing the agency's goals and objectives. Each goal, objective, outcome and output is listed in the agency's strategic plan.

Outcome 1-1: During the past year, the corporations division maintained 74,472 active business entity registrations. Business entities include profit and nonprofit corporations, LLCs, LPS, RLLPs, statutory trusts, trade name and UCC/CF filings (trademark filings are not included).

Outcome 2-1: During FY01, 2,092 people attended presentations and more than 1,000 people received 4,800 booklets on avoiding fraud and investor awareness for a total of at least 3,092. Four public service announcements were produced for television, two featuring Sec. of State Joseph Meyer, one with Steve Van Court and one with

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General information

Joseph B. Meyer, secretary of state

Agency contact

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Year established

1869, the Wyoming Secretary of State was established as a state elected office by the Wyoming Constitution and Wyoming Statutes, Title 9.

Statutory references

See page 3.16, right-hand column

Number of authorized personnel

22 full-time

Organization structure

Corporations Division, Securities Division and Services Division

Clients served

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Budget information — expenditures*

001-0101 Administration	\$1,472,091
001-0201 Reapportionment	\$96,820
001-0301 UCC Secured Transactions	\$21,682
001-0401 Securities Enforcement and Compliance	\$200,945
001-0601 Bucking Horse & Rider	\$95,045
Total	\$1,886,583

* **Figures submitted are for FY 2001 as reported August 2001. These figures do not reflect any pending encumbrances.**

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Dave Walsh. Public service announcements for radio were produced with essentially the same messages as the television spots. Approximately 822,000 impressions were made through mass media all across Wyoming giving constituents the opportunity to see and hear multiple investor awareness messages. The staff observed demand for booklets increase dramatically as a result of the mass media campaign.

At least two criminal enforcement actions were commenced after persons seeing the public service announcements called the division being informed of the division's enforcement activities.

An eight-part series of newspaper releases was made introducing the "Getting Your Money's Worth" booklets. The series was carried in several weekly papers. Four news releases were written regarding the Nigerian Scam Letters, Credit Card Scam, Settlement of an Enforcement Case and Market Research Pitches.

Outcome 2-2: Cases history were:

- cases that were investigated a year, 44;
- cases opened after investigation, 23;
- cases not open after initial investigation, six;
- cases referred, 15.

During FY01, the securities division initiated 44 investigations. Thus far, there have been seven arrests, three awaiting trial and four guilty pleas. Three pending criminal matters are under investigation and have not been charged.

Fifteen matters were referred to other agencies, other jurisdictions or information was provided to constituents without the need for further action. Administrative actions included three cease and desist orders entered by stipulation netting \$6,600 in fines, \$3,400 in costs — approximately \$1,000,000 in restitution. There were also warning letters admonishing eight people of their potential violations in selling securities without a license. The results are:

- cases investigated a year, 44;
- cases not addressed, six;
- cases open at FY end, five criminal, four regulatory;
- cases closed with no action, six;
- cases referred, 15;
- cease and desist orders, three;
- stipulations, three;
- injunctions, zero;
- other regulatory actions, eight admonish;
- persons arrested, seven;
- persons convicted/guilty pleas, four;
- amount of restitution, \$1 million; and
- amount of fines/penalties/costs of investigation, \$10,200.00.

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Statutory references

Corporations division

The corporations division acts in accordance with the following state statutes:

- W.S. 17-3-101 through 17-3-104, Professional Corporations;
- W.S. 17-10-101 through 17-10-125, Cooperative Marketing Associations;
- W.S. 17-10-201 through 17-10-253, Processing Cooperative;
- W.S. 17-11-101 through 17-11-117, Industrial Corporations;
- W.S. 17-14-201 through 17-14-1104, Uniform Limited Partnership act;
- W.S. 17-15-101 through 17-15-144, Limited Liability Companies;
- W.S. 17-16-101 through 17-16-1803, Wyoming Business Corporation act;
- W.S. 17-17-101 through 17-17-151, Close Corporation Supplement;
- W.S. 17-18-101 through 17-18-403, Wyoming Management Stability Act;
- W.S. 17-19-101 through 17-19-1807, Nonprofit Corporation Act;
- W.S. 17-20-101 through 17-20-1801, Wyoming Cooperative Utilities Act;
- W.S. 17-21-101 through 17-21-1103, Uniform Partnership Act;
- W.S. 17-21-1101 through 17-21-1105, Registered Limited Liability Partnerships;
- W.S. 17-22-101 through 17-22-115, Uniform Unincorporated Nonprofit Association Act;
- W.S. 17-23-101 through 17-23-302, Wyoming Statutory Trust Act;
- W.S. 17-25-101 through 17-25-109, close Limited Liability Company Supplement;
- W.S. 34-21-1101 through 34-21-1107, Central Filing System;
- W.S. 34.1-9-101 through 34.1-9-709, Uniform Commercial Code;
- W.S. 37-4-101 through 37-4-104, Transmitting Utility Act;
- W.S. 40-1-101 through 40-1-116, Trademarks and Service Marks; and
- W.S. 40-2-101 through 40-2-109, Trade Names.

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Outcome 2-3: Case history's were:

- number of mutual fund notice filings, 110;
- number of mutual fund renewal filings, 191
- number of Reg. D notice filings, 203;
- number of securities filing by coordination, 41;
- securities filing by qualification, two;
- new agent registrations, 25,589;
- new broker-dealer registrations, 215;
- number of agents registered in Wyoming, 54,860; and
- number of broker-dealers in Wyoming, 1,434.

Five audit/investigations were conducted during the period. The activities included two on-site branch office audits.

In the first case, the agent and firm were cleared of allegations and the complaint was closed.

The other audit matter remains an open case.

In the third of the five audit/investigations, obtaining records through a subpoena, and bringing action against an agent and his employing firm for violations of suitability rules; a detailed audit of a client's securities account was conducted. The client settled and received restitution while the division recovered \$6,600 in penalties and its investigative costs of \$3,400 in addition to the agent entering a conditional licensing agreement, which includes re-qualification by examination.

In the fourth and fifth actions, the division conducted investigations involving client accounts at two different broker-dealer firms where a former agent who worked for both firms converted client money from the clients' accounts. The matter resulted in a 71 month federal prison sentence for the agent, and one of the firms voluntarily making approximately \$1 million restitution to its clients.

Outcome 3-1: The average number of user sessions a day for FY01 was 969. During FY01, the secretary of state's office recorded 2,678,192 successful hits on the Website. The most active day of the week for FY01 was Tuesday, with the most active time of day ranging between 10 a.m. and 11 a.m.

Outcome 3-2: Five random spot checks occurred at least once a quarter, and all deposits were made. This procedure not only gives the office the financial data needed for the agency, but the process also provides interest bearing revenues to the treasurer's office for the general fund in a timely manner.

Outcome 3-3: During FY01, the residents of Wyoming were provided with an average of 33 opportunities a month to meet with the secretary of state. The secretary of state is very accessible to the public. The public has the opportunity to contact the secretary in person, by telephone, by mail and by email. The secretary of state tries to accommodate walk-ins

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Securities division

The securities division administers Wyoming's Uniform Securities Act, which is W.S. 17-4-101 through 17-4-132.

The services division includes elections, lobbyists, ethics, notaries public, state registry of agencies' rules and acts in accordance with the following state statutes:

- W.S. 22-1-101 through 22-29-601, Elections;
- W.S. 28-7-101 through 28-7-201, Lobbyists;
- W.S. 9-13-101 through 9-13-109, Ethics;
- W.S. 32-1-101 through 32-1-113, Notaries Public;
- W.S. 16-3-101 through 16-3-115, State Agency Rules; and
- W.S. 8-3-117, Bucking Horse and Rider (BH&R) Trademark.

Other duties

The Wyoming secretary of state has other statutory duties. A few examples of those diverse statutory requirements are:

- W.S. 7-3-223, Criminal Procedure, Fugitives and Prevention of Crime — extradition; extraditions are to be filed in the office of the secretary of state to remain of record in that office;
- W.S. 9-1-102, Administration of Government, State Officers — generally, officers of state agencies and specified state employees are to file an oath of office with the secretary of state;
- W.S. 16-2-102, City, County, State and Local Powers, Facsimile Seals and Signatures — any authorized officer shall file with the secretary of state his or her manual signature certified by him or her under oath;
- W.S. 18-7-105, Counties, Libraries — as soon as a library board is organized, it shall file with the secretary of state a certificate showing their organization;
- W.S. 18-8-104, Counties, Memorial Hospitals — generally, as soon as a memorial hospital board is organized, it shall file with the secretary of state a certificate showing the organization;
- W.S. 18-9-102, Counties, Fairgrounds, Airports, Parks, Pleasure Grounds and Recreational Systems — generally, as soon as the board of any of the referenced groups is organized, it shall file with the secretary of state certificate

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and telephone calls when available. These opportunities are not included in the count, only those engagements that have been prearranged and are in the schedule book are tallied. Conferences/conventions, forums and workshops are counted as one appointment for that day even though many contacts with the public are made throughout the event, unless a sign-in sheet with documented names of participants is available, and the secretary was a member of the presenting board or panel.

Outcome 3-4: There were more than 248 contacts with county clerks regarding computer equipment, training and election/legislative reapportionment issues. House Bill 18, Enrolled Act 18, Chapter 29 of the 2001 Legislative session changed the election district division date from February to April to accommodate the time frame for legislative redistricting. The secretary of state's staff attended at least seven meetings with legislators and/or legislative service office staff to assist in production of the legislative redistricting plan. There were also numerous phone calls. Plans are under construction, and one should be chosen during the 2002 Legislative session.

Outcome 3-5: There were 534 licenses or Business Use Agreements at the beginning on FY01. By the end of FY01, there were 603 licenses or Business Use Agreements filed. This is an increase of 69 in the course of the fiscal year. Registration continues to increase beyond original expectations as protection and promotion of the state's Bucking Horse & Rider trademark continues to be met with public popularity.

Strategic plan changes

The one goal for the Wyoming Secretary of State's office has remained essentially the same as in previous years. However, objectives have been modified, added and/or deleted based on past accomplishments and new responsibilities. These specific changes can be found in the agency's strategic plan submitted September 2001.

The agency's goal is:

to efficiently, accurately and fairly administer the statutory duties of the secretary of state as outlined in the state constitution, state statutes Title 9 and the state statutes pertaining to corporations and other business entities, trademarks and trade names, liens and searches, securities, notaries public, elections, lobbying, ethics, state rules, legislative reapportionment, investor awareness and fraud prevention program.

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showing their organization;

- W.S. 28-2-116, Legislature, Apportionment of Members — the secretary of state is to maintain the census block list;
- W.S. 40-13-103, 106 and 108, Trade and Commerce, Copyrighted Music, Protection of Copyright Users — the secretary of state to accept filing of performing rights contracts and license agreements; and
- W.S. 41-3-725, Water, Rights, Administration and Control, Water Conservancy District — water conservancy districts are to file copies of the findings and the decree of the court incorporating said district with the secretary of state.

The secretary of state also has responsibilities pertaining to legislative redistricting, which are carried out under Chapter 106, 1995 Session Laws of Wyoming.

Clients served

Entities served by the secretary of state's office include:

- corporations and other business entities;
- attorneys;
- bankers;
- accountants;
- those with agricultural interests;
- individuals who purchase securities investments;
- all members of the public who participate in elections;
- county clerks, district, circuit, municipal and JP courts;
- those who wish to file an initiative or referendum;
- notaries public;
- individuals needing international document authentication services;
- state agencies filing agency rules;
- lobbyists;
- all elected officials required to file ethics reports;
- individuals wishing access to enrolled acts and legislative journals;
- those involved with legislative reapportionment;
- individuals wishing to use the state's Bucking Horse & Rider Trademark Protection Program;
- statewide and legislative political candidates;
- individuals involved with the Wyoming State Land and Investment Board or other state board issues; and
- members of the general public wishing to access state government.

Secretary of State organization chart

