

## **WYOMING SECRETARY OF STATE'S OFFICE 2006 ANNUAL REPORT**

### **WYOMING QUALITY OF LIFE RESULT:**

Wyoming state government is a responsible steward of State assets and effectively responds to the needs of residents and guests.

### **Agency:**

Wyoming Secretary of State

### **CONTRIBUTION TO WYOMING QUALITY OF LIFE:**

This agency contributes to the Wyoming quality of life by assisting constituents in the areas of: corporations (businesses/trademarks/trade names), Uniform Commercial Code transactions and Central Filing (agricultural products), liens and searches, elections, lobbyist registration, ethics filings, notaries public, securities, state rules and regulations, document authentication, state lands, state investments, and citizen representation.

### **BASIC FACTS:**

This agency has 28 employees and operates with a biennium budget of approximately \$5.3 million in general fund money while generating over \$24 million in revenue during a biennium. In addition, this agency is responsible for implementing the Help America Vote Act (HAVA) with a total budget of approximately \$17 million in federal funds.

As an elected official, the Secretary of State does not have clients, per se. However as the state's Chief Elections Officer, Securities Commissioner, Notaries Public Commissioner and Corporations Administrator, the Secretary of State's "clients" are various individuals and entities. These include: business entities, attorneys, bankers, financial institutions, accountants, 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, individuals wishing to use the state's Bucking Horse and Rider trademark, statewide and legislative political candidates and all individuals involved with any of the boards and commissions served by the Secretary of State.

The Secretary of State's Office has four Divisions:

**Corporations:** Administers Wyoming Statutes pertaining to the filing of corporations and other business entities, trademarks and trade names, UCC liens, EFS filings and searches, state agency rules and commissions notaries public.

**Elections:** Assists with general, primary, bond, municipal and special district elections, processes receipt and expenditure reports, generates jury lists, verifies petitions for independent candidates, initiatives, referendums and new political parties, answers questions pertaining to elections, generates voter registration lists, processes candidate applications and publishes the Voters Guide. The Division is also responsible for implementation of the federal Help America Vote Act (HAVA).

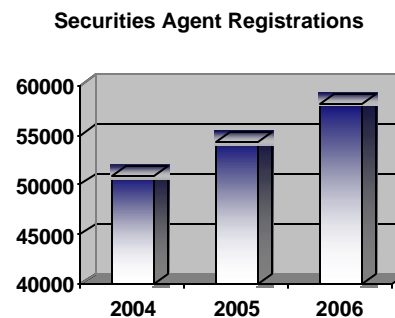
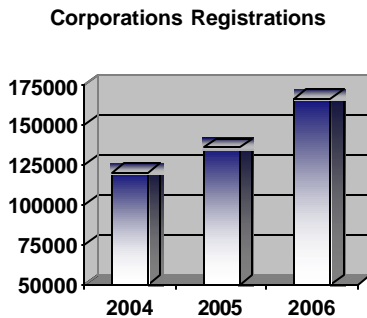
**Securities:** Regulates the issuance and sale of securities, broker-dealers, agents (the individuals and companies who sell securities), enforces securities statutes and informs and educates investors about fraudulent securities promotions.

**Services:** Provides computer technology support, preserves the recognized symbols of the state, maintains and provides all administrative services such as fiscal operations and production of agency publications.

**PERFORMANCE:**

1: Corporations - active registrations on file.

2: Securities - Active agent registrations



**STORY BEHIND THE LAST YEAR OF PERFORMANCE:**

The Corporations Division promoted a business friendly filing atmosphere and is committed to maintaining quick turn around time for business filings and other registrations. Statutorily the UCC filings must be completed within two days and the business entity filings within five days. Within the last 12 months, the division was barely able to maintain the required turnaround time due to the increase in the volume of business entity/registration filings as shown in graph 1 above.

The Elections Division, in addition to overseeing the Atypical@statewide elections services, continued to work on implementing the Help America Vote Act (HAVA). HAVA was passed by Congress and requires significant reforms of the election process. There are national mandates regarding election equipment, voter registration and education of voters and election workers. Wyoming completed 13 of the 14 HAVA requirements and is nearing completion of the last requirement.

The Securities Division regulates securities (investments like stocks, bonds, mutual funds, etc.) and the individuals and companies that sell securities. The Division enforces securities statutes and informs and educates investors about avoiding fraudulent securities promotions. The scope of regulating securities includes addressing and investigating every securities complaint for referral to the proper civil, criminal or administrative authority. This past year, the Securities Division continued to be proactive in investor education, aggressive in pursuing and prosecuting securities fraud while providing regulation and assistance to over 58,000 securities agents from across the country who are registered to sell investments in Wyoming.

The Services Division continued to maintain all statutorily required documents and provide quality customer service to the public. In addition, the Technology team continued to support not only internal technology functions, but was also involved in the development of a new statewide voter registration system, an election reporting system and a corporations filing system which includes electronic filing of annual reports.

## **WHAT HAS BEEN ACCOMPLISHED?**

In FY06 the Corporations Division maintained 166,633 business entity filings/registrations/UCC/EFS filings and notary commissions and generated \$10.1 million in revenue in FY06. The Division designed a new and user friendly corporation database program which will include electronic filing of business entity annual reports on-line.

In FY06 the Elections Division purchased and deployed HAVA compliant voting equipment and one piece of equipment per polling place which is accessible for those voters with a disability. In addition an interim voter registration system was designed and deployed. Wyoming also met the HAVA requirements of voter education, and education of election officials and poll workers, along with the other nine federal requirements of HAVA.

In FY06 the Securities Division maintained 58,110 active agents. The increasing number of registered securities agents means more time must be spent ensuring compliance with state and federal securities regulations. While still pursuing "for cause" audits, a sweep style audit has been implemented. This method allows the auditors to simultaneously look at all branch offices of a particular broker-dealer in the state providing a better review of business practices. The Division performed two audits and participated in four criminal federal indictments resulting in guilty pleas. The Securities Division continues to take a pro-active approach to regulation, enforcement and investor education.

In FY06 the Technology branch of the Services Division designed a new corporation database program and was involved in the development of a new statewide voter registration system, and an election reporting system. Last year it was anticipated that the number of individuals served would increase due to on-line filing of corporate annual reports. However, the corporation database program was still under construction during this annual report period. Anticipated implementation date is January 2007.