

**Wyoming Secretary of State  
Annual Report -- FY2018 (July 1, 2017 to June 30, 2018)**

**Office Information:**

**Elected Official:**

Edward A. Buchanan, Secretary of State

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**Statutory References:**

Constitution of the State of Wyoming,  
Article 4, Section 11  
W.S. 8-3-117  
W.S. 9-1-301 through 9-1-308  
W.S. 9-13-101 through 9-13-109  
W.S. 16-3-101 through 16-3-115  
W.S. 17-3-101 through 17-3-104  
W.S. 17-4-101 through 17-4-701  
W.S. 17-8-101 through 17-8-117  
W.S. 17-10-101 through 17-10-126  
W.S. 17-10-201 through 17-10-253  
W.S. 17-11-101 through 17-11-120  
W.S. 17-12-101 through 17-12-107  
W.S. 17-14-201 through 17-14-1104  
W.S. 17-16-101 through 17-16-1810  
W.S. 17-17-101 through 17-17-151  
W.S. 17-18-101 through 17-18-403  
W.S. 17-19-101 through 17-19-1807  
W.S. 17-20-101 through 17-20-1402  
W.S. 17-21-101 through 17-21-1107  
W.S. 17-22-101 through 17-22-115  
W.S. 17-23-101 through 17-23-302  
W.S. 17-24-101  
W.S. 17-25-101 through 17-25-111  
W.S. 17-26-101  
W.S. 17-27-101  
W.S. 17-28-101 through 17-28-111  
W.S. 17-29-101 through 17-29-1105  
W.S. 22-1-101 through 22-29-601  
W.S. 28-7-101 through 28-7-201  
W.S. 29-7-101 through 29-7-106  
W.S. 29-7-201 through 29-7-206  
W.S. 29-8-101 through 29-8-109  
W.S. 32-1-101 through 32-1-109;  
W.S. 34-26-101 through 34-26-304  
W.S. 34-21-1101 through 34-21-1107

Elected State Official  
Bucking Horse & Rider Trademark  
Secretary of State  
Ethics  
State Agency Rules  
Professional Corporations  
Securities  
Churches and Religious Societies  
Cooperative Marketing Associations  
Processing Cooperative  
Industrial Corporations  
Miscellaneous Companies  
Uniform Limited Partnership Act  
Wyoming Business Corporation Act  
Close Corporation Supplement  
Wyoming Management Stability Act  
Nonprofit Corporation Act  
Wyoming Cooperative Utilities Act  
Uniform Partnership Act  
Uniform Unincorporated Nonprofit Association Act  
Wyoming Statutory Trust Act  
Business Names  
Close Limited Liability Company Supplement  
Conversion  
Electronic Annual Reports  
Commercial Registered Agents  
Limited Liability Companies  
Elections and Campaign Finance  
Lobbyists  
Personal Property  
Breeders  
Agricultural Producers Liens  
Notaries Public  
Wyoming Uniform Law on Notarial Acts  
Central Filing System

W.S. 34.1-9-101 through 34.1-9-809	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
W.S. 40-2-101 through 40-2-109	Trade Names

Examples of other 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 manual signature certified by him 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 their 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 a certificate showing their organization.
- W.S. 28-2-116 Legislature: Apportionment of Members - The Secretary of State is to maintain and make available certain redistricting information as specified by statute.
- W.S. 40-13-103, 106 and 108 Trade and Commerce: Copyrighted Music: Protection of Copyright Users - Secretary of State is to accept filing of performing rights contracts and license agreements.
- W.S. 41-3-725 Water: Rights, Administration and Control: Water Conservancy Districts - Water conservancy districts are to file copies of the findings and the decree of the court incorporating said district with the Secretary of State.
- P.L. 107-252 The Secretary of State, as the State's Chief Election Official, has the responsibility for implementation of the Help America Vote Act of 2002 (HAVA).

**Basic Information:**

**Number of Employees:**  
31 positions authorized

**Clients Served:**  
Our clients are individuals, businesses, other governmental agencies, nonprofit organizations and foreign companies. These constituents include attorneys; bankers; financial institutions; accountants; candidates for elected office; individual stock, bond and mutual fund investors; stock brokers; notaries public; and people from locations across the state, nation, and globe. Not surprisingly, we have continuous customer contact addressing their questions, needs and facilitating their access to state government.

**Budget Information/Expenditures for FY18:**

The Office had a general fund biennium budget of approximately \$7.8 million for 2017-18. The Office collected approximately \$49 million in revenue for the state's General Fund during the 2017-18 biennium. The Secretary of State's Office has a total 2017-18 Biennium Budget of \$8,719,473 which includes federal elections funding, money to protect Wyoming's Bucking Horse and Rider, and appropriations for technology projects:

\$ 7,774,777	State General Fund Appropriations
\$ 189,503	Federal Funding
<u>\$ 637,690</u>	Other Funds
\$ 8,719,473	Total

The general fund expenditures for fiscal year 2018 total \$3,486,795.

## **Primary Functions:**

### **Administrative Services:**

The Administrative Services Division serves the Office staff by providing daily cashing, bookkeeping/revenue recording functions, payroll and time sheets, personnel needs, human resources, and budget building and tracking services. It maintains financial controls and implements best practices in its daily tasks. The Division reconciles and deposits daily credit card receipts from office online filing systems. It prepares checks and cash for deposit and performs the accounting functions in coordination with the State Treasurer's and the State Auditor's Offices. It reviews all invoices and processes payment of expenditures. The Division enters payroll and leave information and recruits new hires. It completes staff hiring and resignation processing, FMLA and compliance with state personnel rules. It serves state agencies as the registrar of administrative rules. The Division files new and amended rules and maintains a database of current, superseded and repealed rules. It provides assistance to the Secretary regarding Board and Commission responsibilities. In cooperation with the University Trademark Licensing Office, the Division protects and administers use of the iconic Bucking Horse and Rider symbol. Wyoming's Bucking Horse and Rider is federally trademarked and managed for use by Wyoming's residents.

### **Business:**

The Business Division administers statutes pertinent to its role of filing business registrations. This is the largest division in the Office in terms of transaction volume and number of positions (eleven). The Division assists businessmen and women, attorneys, corporate service companies, lenders and other constituents with their business entity-related needs. The Division serves customers by recording initial filings for corporations, limited liability companies and eleven other business entity types. The Division recommends policy and implements statutory mandates in the administration of the following: Wyoming Business Corporation Act, Close Corporation Act, Limited Liability Company Act, Limited Partnership Act, Trade Name Act, and Trademark Act. It promulgates administrative rules relating to business statutes. The Office administers the statutory requirements for Wyoming Uniform Commercial Code (UCC) filings and Effective Financing Statements (EFS). Financial lenders, agricultural producers and sales barns request lien searches to ensure their collateral is protected or commodities being purchased or sold are clear from debts. On June 4, 2018 a new modernized UCC/EFS E-filing System rolled out allowing EFS to be filed online and enabling lien searches by customers. The system also provides 24/7 online filing for entities listed in Table #2. The Business Division's daily activities secure our national reputation for our business friendly reputation and top customer service.

### **Compliance:**

The Compliance Division's duties are regulatory; whereas, other Divisions of the Secretary of State are ministerial. The Compliance Division is the statewide administrative constable for Wyoming's securities industry, overseeing the activities of Commercial Registered Agents, and the commissioning of Notaries Public. It also authenticates public record documents using Apostilles or Certificates on such papers as birth certificates, marriage licenses, legal documents, and adoption papers for formal recognition in foreign countries. The Division regulates securities (investments such as stocks, bonds, and mutual funds) offered or sold in Wyoming. It also licenses stock brokerage companies (broker-dealers) and the individual sales persons (agents) working for those broker-dealer firms; and for the first year, investment advisers and investment adviser representatives. As part of its regulatory functions, the Division has authority to examine (audit) the records of regulated persons and investigate alleged violations of both the Securities Act and the Registered Office's and Agents Act. To protect our citizens, administrative, civil, or criminal matters may be referred to the Attorney General and/or to state and federal criminal authorities to enforce the law. The Division also provides investor protection education to the public and facilitates capital formation through securities offerings and exemptions such as Wyoming Invests Now (WIN). Albeit in a small way, this program allows the Office to promote small business and economic developments. Employees of the Compliance Division require specialized training and professional experience.

### **Elections:**

The Election Division is charged with overseeing and facilitating transparent and well run elections (including: general, primary, bond, municipal and special district elections) while providing election resources, guidance and education to county clerks, candidates, committees, political parties, legislators,

lobbyists and the public. The Secretary of State, as the chief election officer for the state, is statutorily tasked with maintaining uniformity in the applications and operations of Wyoming's election laws. The division verifies petitions for independent candidates, initiatives, referendums, and new political parties. It processes candidate applications for state and federal offices; produces election publications; registers lobbyists; maintains lobbyist disclosure reports; and receives ethics disclosure reports from legislators and statewide elected officials. The division administers Wyoming's statewide Voter Registration System which provides updated voter registration information to county clerks, provides data to the Supreme Court for distribution to the courts for the generation of jury lists, and interfaces with state agencies that have information relevant to voter registration status. Also administered by the division, the Wyoming Campaign Finance Information System (WYCFIS) provides to the public an online searchable database of campaign finance reports.

**Executive Administration:**

The Executive Administration Division comprises the policy and programmatic level management for the Office. The Secretary of State serves on five Boards and Commissions as one of Wyoming's five statewide Elected Officials. Along with daily policy issues and operational control decisions, this Division preserves the recognized symbols of the state like the Great Seal of the State of Wyoming, legislative journals, and important records. It affixes the Great Seal to official state documents such as proclamations and extraditions. It also files Oaths of Office. Working with each division, the Executive Office handles most all priority and high level correspondence and communication with other federal and Wyoming governmental agencies and offices, constituents, multi-state associations, legislators, and members of the media. The Division also schedules for and staffs the Secretary, coordinates communication and interactions with other Statewide Elected Officials, and oversees diplomatic protocol.

**Technology:**

The Technology Division performs critical functions enabling virtually all Office operations. It has the responsibility of providing project management and oversight for the requirements, implementation, and continuing maintenance of the Office's many electronic applications. Office staff are their primary customers; however, the Technology Division staff continuously interact with other agencies, elected officials, the public, along with contractors and suppliers. The Technology Division administers the contracts with the Office's technology-related vendors which assist with the development and maintenance of the Office's applications. The Technology Division maintains applications including: WyoSuite, an enterprise application providing for business registration and reporting (including an online filing and searching website), fiscal management, securities broker-dealer and agents registration and reporting, the UCC/EFS/Buyer Registration filings and reporting (used by both lending institutions and Office personnel), and lobbyist registration and reporting (used by the public, lobbyists, and Office personnel); WyoReg, the statewide voter registration and election management system (used by Wyoming's 23 county clerks' offices and Office personnel); WYCFIS, the statewide campaign finance disclosure system used by all candidates running for a legislative seat or one of the five statewide positions as well as members of the public including the media; and the Wyoming Administrative Rules System used by state agencies and the public. In addition, the Division supports and maintains the notaries public commissioning database; the document authentication program; and the Secretary of State's website. Each day the Technology Division makes certain that equipment and applications enable the staff to meet our Office's goals and federal and statutory responsibilities.

**Contribution to Wyoming Quality of Life:**

Wyoming Quality of Life Results applicable to the Office are:

Result #6 -- Wyoming state government is a responsible steward of State assets and effectively responds to the needs of residents and guests.

Result #10 -- Advanced technologies and quality workforce allow Wyoming businesses and communities to adapt and thrive.

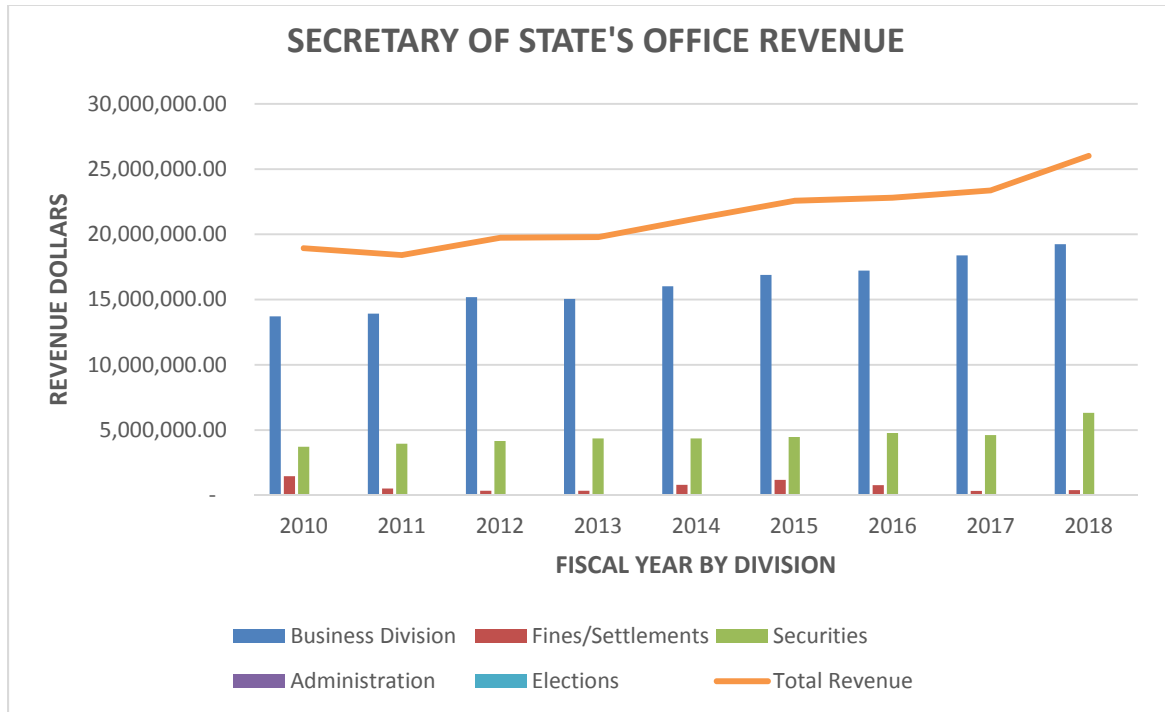
**Performance Highlights/Major Accomplishments of FY18:**

The Office selected performance measures to demonstrate its contributions to achieving Wyoming’s quality of life results. The measures were selected to provide a broad snapshot capturing statistics from separate Office programs useful in evaluation of Office activities from year-to-year. The measures track agency goals and ultimately the goals set each year for the Office’s employees.

**Measure #1: Administrative Services-Office Revenue**

Office revenue is a quantifiable indicator of its level of activity. Higher revenues are achieved by processing more filings and thus more staff output is required. Accurate accounting of revenues is a piece of discharging our responsibility as stewards of state assets including collecting, safeguarding, depositing, accounting and reporting revenues. This activity is critical in supplying revenue to the state’s general fund. Tracking revenue also utilizes advanced technology and a professional workforce critical in meeting the State Treasurer’s and State Auditor’s fiscal requirements.

Graphic 1 – Agency revenue



**Story behind the last year of performance:**

Graphic 1 is a visual representation of historical Secretary of State’s Office revenue for comparison purposes. Advanced technology continues to add efficiency to the processing of an ever-increasing number of filings. Though the number of Office staff remains static, technological improvements have helped maintain reasonable processing times. Technology has also been utilized to meet the growing demand for transparency in state finances. Technology provides the analytical tools so the staff may provide useful information for policy and decision makers.

The Office collected \$26 million in FY18. When added to FY17, the 2017 Biennial Revenue totaled \$49 million.

## What has been accomplished?

FY18 was the first full year of online formation capabilities for new domestic profit and nonprofit corporations, domestic limited liability companies and reinstatement of foreign and domestic entities (including the filing of delinquent annual reports and reinstatement amendments). Online filing is easy and may be accessed 24/7. This is a factor that we believe drove the increase in 2017 and 2018 business revenue.

FY18 Securities Revenue reflects an increase of \$10 in stockbroker fees from \$35 to \$45. The fee increase began July 1, 2017. Graphic 1 and Table 4 also reflect the first year of registering investment adviser firms and their registered investment advisers (RIAs). All other Office filing fees remained static during FY18.

Administrative Services began depositing state revenue directly with the state's custodial bank during FY18. Accounting for the deposit transactions is made via the State Treasurer's Electronic Deposit System. This requires Office staff to scan customer checks for electronic deposit. The new deposit methodology is used in conjunction with the Office's WyoSuite receipting system providing a high degree of accuracy.

Preparations were made during FY18 for the roll-out of the State Auditor's upgrade 3.11 to the Wyoming Online Financial System (WOLFS). Procedures will be amended to facilitate use of the upgraded system as it is implemented during the next fiscal year.

## Measure #2: Election Division

The Election Division is a responsible steward using State assets to effectively respond to Wyoming residents' election needs. During this period the Office experienced heightened national concern over security of countrywide election results and several proposals for changes to the manner in which Wyoming voters cast their ballot. This Office diligently works to reinforce the fairness and openness of our statewide Elections.

Table 1 lists Wyoming Election statistics beginning with the 2014 Elections, Primary and General. Separately the 2016 Presidential Election statistics are listed for the Primary and General. The 2018 Election results (non-Presidential) will be known next fiscal year, and will be included as an analytical tool for comparing election statistics with non-Presidential Elections in prior years. In this manner, statistics for Statewide Elections are compared to other statewide Elections and Presidential Election statistics are compared with other Presidential Elections.

Table 1 – Comparison of Voter Turnout by Election for 18-24yr Olds

	2010		2012*		2014		2016*	
	Primary	General	Primary	General	Primary	General	Primary	General
Voting Age Population	56,247	56,247	57,962	57,962	57,443	57,443	56,514	56,514
Number Voted	5,603	7,996	4,067	19,361	4,367	6,087	4,184	19,688
% Voted	10.0%	14.2%	7.0%	33.4%	7.6%	10.6%	7.4%	34.8%

\*Indicates both a Presidential and State-wide Election year

## Story behind the last year of performance:

This Office cannot directly influence the number of persons registered to vote, nor can we directly influence how many of those Wyomingites actually cast their ballot. We can, however, encourage Wyomingites to register and vote. One example is the Office's Youth Voter Summit encouraging 18 to 24 year olds to register and vote. Statistics for this demographic are listed in Table 1 above.

### **What has been accomplished?**

During the 2017 Interim the Elections Division worked closely with the Joint Corporations Committee and the Joint Elections and Political Subdivisions Committee to draft House Bill 0002 which was passed into law during the 2018 session as House Enrolled Act 0023. This Election Enforcement Bill involved the Attorney General's Office, the Legislative Service Office and Legislators. When effective on July 1, 2018, the law will give the Secretary of State the authority to impose a civil penalty on statewide political entities which fail to file their statutorily required campaign finance reports. Additionally, the new law creates a clear pathway for election code violation complaints to be filed, appropriately investigated, and prosecuted as warranted.

This Office formed The Plan for Aging Voting Equipment (PAVE) Task Force in October 2017. It is to address the future of Elections in Wyoming. Comprised of stakeholders in the Election Process, from Legislators to County Clerks, and from State Election staff to County Commissioners, the Task Force will strategize and put forth recommendations on the type of election equipment needed in Wyoming and the means of funding the replacement of outdated equipment.

A new, online lobbyist registration system was placed into production providing Wyoming Lobbyists with a simplified registration process. System requirements were written, the enhancements were tested, and the system was launched streamlining the filing requirements and making registration accessible 24/7. This effort required modifications both to the Office's website and to the internal WyoSuite system.

Two trainings were provided to Wyoming's County Clerks and their staff on the WyoReg statewide voter registration system. The week-long training focused on functionality of WyoReg and fostered discussions on election-related issues in anticipation of the upcoming 2018 election cycle.

Congress passed the Federal Consolidated Appropriations Act of 2018 in late March approving additional federal monies to improve federal elections. The Office filed a formal letter of request with the Federal Election Assistance Commission (EAC), and prepared a narrative detailing the intended use of the funding. Wyoming's \$3 million share of the Help America Vote Act (HAVA) funding was appropriated, however, the federal funds are expected to be received after July 1, 2018.

### **Measure #3: Business Division-Advanced Technologies**

Business Division customers create business entities like corporations, limited liability companies and limited partnerships by filing with the Secretary of State. These legal entities begin with submission of formation documents and payment of a filing fee. Some of these entities file amendments to their existing articles, and many must also file an Annual Report to retain their entity's good standing.

Table 2 lists the number of annual reports along with business entity formations and reinstatements that were filed during both FY17 and FY18. This table provides a clear comparison illustrating the steady growth in numbers of filings between the two fiscal years.

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Table 2-Business Division Statistics

<b>Business Services</b>	<b>FY17</b>	<b>FY18</b>
<b>Annual Reports</b>	<b>114,188</b>	<b>132,105</b>
<b>Formations:</b>		
General Partnership	-	4
Limited Liability Company	26,564	33,496
Limited Partnership	425	276
Nonprofit Corporation	672	698
Profit Corporation	7,416	6,994
Registered Limited Liability Partnership	26	27
Reserved Name	45	49
Statutory Trust	317	329
Trade Name	1,033	1,221
Trademark	82	131
Unincorporated Non-Profit	16	4
<b>Total Formations</b>	<b>36,596</b>	<b>43,229</b>
<b>Reinstatements:</b>		
Limited Liability Company	3,336	4,302
Limited Partnership	40	43
Nonprofit Corporation	245	227
Profit Corporation	1,481	1,520
Registered Limited Liability Partnership	5	10
Statutory Trust	4	3
<b>Total Reinstatements</b>	<b>5,111</b>	<b>6,105</b>
<b>Total Business Documents Filed</b>	<b>155,895</b>	<b>181,439</b>

**Story behind the last year of performance:**

Tracking the formation and reporting statistics provides insight into which entity types are filed, and which types are utilized the most. Furthermore, tracking the means of filing, via paper or web, assists the determination of whether or not advanced technologies implemented by the Office are being utilized by businesses.

Table 3 lists the types of business filings that may be filed online and breaks down the means of filing by either paper filed or web filed for FY17 and FY18. This table illustrates the growing interest businesses have in using our online applications for registering and maintaining their business standings.

Table 3-Online Business Filing Statistics

<b>Business Services</b>	<b>FY17</b>		<b>FY18</b>	
	<b>Paper Filed</b>	<b>Web Filed</b>	<b>Paper Filed</b>	<b>Web Filed</b>
Annual Report	31,209	82,979	34,647	94,468
<b>Formations:</b>				
Limited Liability Company	6,480	20,084	5,253	28,243
Nonprofit Corporation	323	349	256	442
Profit Corporation	3,022	4,394	2,240	4,754
<b>Reinstatements:</b>				
Limited Liability Company	783	2,553	966	3,336
Limited Partnership	14	26	10	33
Nonprofit Corporation	62	183	65	162
Profit Corporation	466	1,015	478	1,042
Registered Limited Liability Partnership	-	5	-	10
Statutory Trust	2	2	3	-

## What has been accomplished?

The Business Division continues its strong customer service reputation by deploying the UCC E-Filing System on June 4, 2018. The newest WyoSuite enhancement provides Uniform Commercial Code (UCC), Agricultural Effective Financing Statements (EFS), and Registered Buyers online lien filing, amendment and search capabilities. This cutting-edge application replaces the existing state mainframe computer program. This migrates the application to a completely new technology which affords 24/7 availability, ease of use, and greater efficiency. Buyers receive more information, at their ease and pleasure, and without additional cost. This is a clear example of using appropriated agency funding to advance technologies and a quality workforce; thus, allowing Wyoming businesses and communities to adapt and thrive.

House Bill 126, enacted in the 2018 Legislature, authorizes limited liability companies to establish “Series LLCs.” The new legislation, effective July 1, 2018, required the Office to file emergency rules to be in effect on that date. Again, the Office is enabling Wyoming businesses and communities to adapt and thrive through its implementation of the Series LLC law.

June 30, 2018 marks a full year of the Business Division’s statutory requirement of a 15-day turnaround for business filings. The extended processing time mitigates the need for short term staffing to meet the previous 5-day deadline. The Division strives to maintain the old 5-day standard but with more flexibility as needed. As a responsible steward of State assets, the Office responded to the need for budget reduction by offering efficiency and cost savings while meeting the needs of residents and guests.

## Measure #4: Compliance Division

Previous year annual reports tracked the remarkable 30+ year growth of the retail securities industry. Tracking growth of the industry serving individual investors is indicated by the number of firms, stockbrokers, investment advisers and securities issues registered with the Secretary of State to provide those services.

Table 4 presents statistics for stockbrokers, broker dealers, registered investment advisers, investment adviser firms, numbers of stock offerings registered for sale, and active Wyoming notary public commissions.

Table 4-Compliance Division Statistics

	FY17	FY18
<b>Stockbrokers</b>	97,644	101,442
<b>Broker Dealers</b>	1,315	1,284
<b>Registered Investment Advisers</b>	-	1,024*
<b>Investment Adviser Firms</b>	-	546*
<b>Stock Offerings</b>	521	685
<b>Active Notary Public Commissions</b>	12,145	12,053

\*The first filing of Registered Investment Advisers and Investment Adviser Commissions occurred in FY18 as a result of Wyoming’s 2017 Uniform Securities Act.

## Story behind the last year of performance:

Wyoming’s 2017 Uniform Securities Act has been effective for one year. Under the new law, Investment Advisers and Investment Advisor Representatives became regulated in Wyoming for the first time. 21 Wyoming firms and 1,024 representatives have been registered in the last year. The transition was seamless for those advisors moving from federal oversight to state regulation.

National securities markets experienced another robust year of performance. The industry continues to grow as baby boomers seek potentially higher yields in stocks over lower yielding traditional fixed income investments. Greater numbers of stockbrokers and investment advisers are licensed to provide services to upcoming retirees of this generation.

### **What has been accomplished?**

House Bill 144 was passed in the 2018 Legislature providing statutory amendments to the Securities Act creating the Wyoming Invests Now (WIN) exemption. Wyoming's first crowdfunding filing under the WIN exemption was made this fiscal year to raise equity capital for a Wyoming business, McGinley Orthopaedic Innovations, LLC. The Division expects more Wyoming companies to use WIN to help finance their growth. Compliance staff continues to work with small businesses seeking to raise investment capital in Wyoming.

The Division completed 4 Broker-Dealer Audits, 21 Investment Adviser Pre-Audits (desk audits which were conducted during the registration process) and 63 Commercial Registered Agent Audits. This represents a substantial increase over last year's 22 audits. The examination program ensures regulatory compliance with laws and rules of the industry it oversees.

The Division noted a dramatic revenue increase between Fiscal years 2017 and 2018. This growth in revenue is partially attributed to a \$10 increase in stockbroker fees enacted by the 2017 Legislature. Another source of new revenue came from the registration of Investment Advisers.

The Compliance Division invested considerable resources gaining more understanding of the new "cryptocurrency" movement. During the 2018 Legislature, an amendment to Wyoming's Uniform Securities Act allowed initial coin issuances of cryptocurrency utility tokens to be done separate from the Wyoming state securities laws. Wyoming Legislators made national news being the first state to allow for such an exemption to securities laws. The Office continues to research and define this new technology and the opportunities and concerns it represents to Wyoming investors.

### **#5: Executive Administration-Constituent Representation**

It is of great importance to the Secretary that he be available to the citizens of Wyoming. The Secretary travels to meet with constituents in their home towns to discuss Board and Commission matters, speak to service organizations, tour projects or facilities, and participate in community events. Understanding and effectively responding to the issues and concerns of constituents to the Secretary of State's Office is a foundational Office principle.

### **Story behind the last year of performance:**

The Secretary of State is the second highest ranking state elected official. The Office is constitutionally established and Wyoming voters elect the Secretary of State for a 4-year term. He and his Office are a resource to the people of the state of Wyoming. The Office strives to represent the people of Wyoming by making both the Secretary and his staff accessible to constituents, thereby providing the best possible customer service.

### **What has been accomplished?**

During FY18, Secretary Buchanan met with younger constituents in celebration of the 125<sup>th</sup> Anniversary for the Great Seal of the State of Wyoming. The Secretary of State's Office held two different contests for elementary schools around the state: Grades K-3 were asked to enter a "color your own" Great Seal contest, and grades 4-5 were invited to "create your own Great Seal." The school of the winning contestants in Green River held an awards ceremony in which Secretary Buchanan presented prizes to the winning contestants. This celebration was an effort to get the youth involved in the history of the State of Wyoming and all that the Great Seal represents.

The Secretary met with constituents on 40 different occasions outside of Cheyenne, attending meetings and events throughout the State. On 46 occasions, the Secretary met with constituents in Cheyenne, both in the Office and throughout the community. The purpose of these in-state travels and local meetings is to interact with local government officials, deliver keynote speeches, view State Land and Investments grant and economic development projects, attend local celebrations, and meet with Wyoming Citizens on a personal level.

## **Conclusion**

The Secretary of State's Office continues to achieve its Office goals, being mindful of the balance between the cost of government and the need for efficient modern uses of advanced technology. The Office is a responsible steward of state assets in meeting constituent needs in an efficient and cost-effective manner. The Secretary of State continues to thoughtfully perform its required duties providing Wyoming citizens and businesses the opportunity to adapt and thrive.

# Wyoming Secretary of State

June 30, 2018

