

DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION

HOUSE BILL NO. _____

Business entities-revisions.

Sponsored by: Joint Corporations, Elections and Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to business entities; providing a penalty
2 for signing a false document; providing for forfeiture of
3 limited liability company articles of organization;
4 providing for administrative dissolution of corporations;
5 providing for a fee; providing for revocation of authority
6 for foreign corporations; providing for interim
7 classifications; and providing for an effective date.

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9 *Be It Enacted by the Legislature of the State of Wyoming:*

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11 **Section 1.** W.S. 17-27-102 is created to read:

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13 **17-27-102. Penalty for signing false document.**

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2 (a) A person commits an offense if he signs a
3 document he knows is false in any material respect with
4 intent that the document be delivered to the secretary of
5 state for filing.

6

7 (b) An offense under this section is a felony and
8 shall be punished by a fine not exceeding two thousand
9 dollars (\$2,000.00), or by imprisonment not exceeding two
10 (2) years, or both.

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12 **Section 2.** W.S. 17-15-112 by creating new subsections
13 (c) and (d), 17-16-1420(a)(iv), by creating new paragraphs
14 (vi) and (vii) and by creating a new subsection (b),
15 17-16-1421(a) and (b), 17-16-1422(a)(iv) and by creating a
16 new paragraph (v), 17-16-1530(a) by creating a new
17 paragraph (vi) and by creating a new subsection (b) and
18 17-16-1531(a) and (b), 17-19-1420(a)(iv), by creating new
19 paragraphs (vi) and (vii) and by creating a new subsection
20 (b), 17-19-1421(a) and (b), 17-19-1422(a)(iv) and by
21 creating a new paragraph (v), 17-19-1530(a) by creating a
22 new paragraph (vi) and by creating a new subsection (b) and
23 17-19-1531(a) and (c) are amended to read:

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**17-15-112. Administrative forfeiture of authority and
certificate of organization.**

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(c) A limited liability company shall be deemed to be
transacting business within this state without authority,
to have forfeited any franchises, rights or privileges
acquired under the laws thereof and shall be deemed defunct
and to have forfeited its certificate of organization
acquired under the laws of this state, and the forfeiture
shall be made effective in the manner provided in
subsection (a) of this section, if:

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(i) A member of the limited liability company
signed a document he knew was false in any material respect
with intent that the document be delivered to the secretary
of state for filing; or

(ii) The limited liability company has failed to
respond to a subpoena;

(iii) It is in the public interest and the
limited liability company or any of its members:

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(A) Failed to provide records to the registered agent as required in this act;

(B) Has provided fraudulent information or has failed to correct false information upon request of the secretary of state on any filing with the secretary of state under this act; or

(C) Cannot be served by either the secretary of state or the registered agent at its address provided pursuant to this act.

(d) The secretary of state may classify a limited liability company as delinquent awaiting forfeiture of its certificate of organization at the time the secretary of state mails the notice required under subsections (a) through (c) of this section to the limited liability company.

17-16-1420. Grounds for administrative dissolution.

1 (a) The secretary of state may commence a proceeding
2 under W.S. 17-16-1421 to administratively dissolve a
3 corporation if:

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5 (iv) The corporation does not deliver its annual
6 reports or pay the annual license taxes to the secretary of
7 state when due pursuant to W.S. 17-16-1630; ~~or~~

8

9 (vi) An incorporator, director, officer or agent
10 of the corporation signed a document he knew was false in
11 any material respect with intent that the document be
12 delivered to the secretary of state for filing; or

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14 (vii) The corporation has failed to respond to a
15 subpoena.

16

17 (b) Prior to commencing a proceeding under W.S. 17-
18 16-1421 the secretary of state may classify a corporation
19 as delinquent awaiting administrative dissolution if the
20 corporation meets any of the criteria in subsection (a) of
21 this section.

22

1 **17-16-1421. Procedure for and effect of**
2 **administrative dissolution.**

3
4 (a) If the secretary of state determines that one (1)
5 or more grounds exist under W.S. 17-16-1420 for dissolving
6 a corporation, he shall serve the corporation with written
7 notice of his determination under W.S. 17-16-504, except
8 for W.S. 17-16-1420(a)(iii) in which case dissolution is by
9 choice and therefore automatic ~~and W.S. 17-16-1420(a)(iv)~~
10 ~~in which case notice of the proposed dissolution shall be~~
11 ~~given only as provided in subsection (e) of this section.~~

12
13 (b) If the corporation does not correct each ground
14 for dissolution or demonstrate to the reasonable
15 satisfaction of the secretary of state that each ground
16 determined by the secretary of state does not exist within
17 sixty (60) days after service of the notice is perfected
18 under W.S. 17-16-504, the secretary of state shall
19 administratively dissolve the corporation by signing,
20 either manually or in facsimile, a certificate of
21 dissolution that recites the ground or grounds for
22 dissolution and its effective date. The secretary of state
23 shall file the original of the certificate and serve a copy

1 on the corporation under W.S. 17-16-504. ~~The provisions of~~
2 ~~subsection (e) of this section shall govern the procedures~~
3 ~~for dissolution pursuant to W.S. 17-16-1420(a)(iv).~~

4
5 **17-16-1422. Reinstatement following administrative**
6 **dissolution.**

7
8 (a) A corporation administratively dissolved under
9 W.S. 17-16-1421 may apply to the secretary of state for
10 reinstatement within two (2) years after the effective date
11 of dissolution. Reinstatement may be denied by the
12 secretary of state if the corporation has been the subject
13 of secretary of state and law enforcement investigation
14 pertaining to fraud or any other violation of state or
15 federal law, or if there is other reason to believe the
16 corporation was engaged in illegal operations. The
17 application shall:

18
19 (iv) If the corporation was administratively
20 dissolved for failing to deliver its annual report or pay
21 the annual license taxes to the secretary of state when due
22 pursuant to W.S. 17-16-1630, include payment of a sum equal
23 to double the amount of fees and taxes then delinquent and

1 a reinstatement certificate fee prescribed pursuant to W.S.
2 17-16-122; and-

3

4 (v) If the corporation was administratively
5 dissolved for failure to maintain a registered agent,
6 include payment of a XXX dollar (\$XXX.00) reinstatement
7 fee.

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9 **17-16-1530. Grounds for revocation.**

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11 (a) The secretary of state may commence a proceeding
12 under W.S. 17-16-1531 to revoke the certificate of
13 authority of a foreign corporation authorized to transact
14 business in this state if:

15

16 (iv) The corporation does not deliver its annual
17 reports or pay the annual license taxes to the secretary of
18 state when due pursuant to W.S. 17-16-1630; ~~or~~

19

20 (v) The corporation has failed to respond to a
21 subpoena; or

22

1 ~~(v)~~(vi) It is in the public interest and the
2 corporation:

3
4 (b) Prior to commencing a proceeding under W.S. 17-
5 16-1531 the secretary of state may classify a foreign
6 corporation as delinquent awaiting administrative
7 revocation if the foreign corporation meets any of the
8 criteria in subsection (a) of this section.

9
10 **17-16-1531. Procedure for and effect of revocation.**

11
12 (a) If the secretary of state determines that one (1)
13 or more grounds exist under W.S. 17-16-1530 for revocation
14 of a certificate of authority, he shall serve the foreign
15 corporation with written notice of his determination under
16 W.S. 17-16-1510.~~, except for revocation pursuant to W.S.~~
17 ~~17-16-1530(a)(iv) in which case notice of the proposed~~
18 ~~revocation shall be given only as provided in subsection~~
19 ~~(f) of this section.~~

20
21 (b) If the foreign corporation does not correct each
22 ground for revocation or demonstrate to the reasonable
23 satisfaction of the secretary of state that each ground

1 determined by the secretary of state does not exist within
2 sixty (60) days after service of the notice is perfected
3 under W.S. 17-16-1510, the secretary of state may revoke
4 the foreign corporation's certificate of authority by
5 signing, either manually or in facsimile, a certificate of
6 revocation that recites the ground or grounds for
7 revocation and its effective date. The secretary of state
8 shall file the original of the certificate and serve a copy
9 on the foreign corporation under W.S. 17-16-1510. ~~The~~
10 ~~provisions of subsection (f) of this section shall govern~~
11 ~~the procedures for revocation pursuant to W.S.~~
12 ~~17-16-1530(a)(iv).~~

13

14 **17-19-1420. Grounds for administrative dissolution.**

15

16 (a) The secretary of state may commence a proceeding
17 under W.S. 17-19-1421 to administratively dissolve a
18 corporation if:

19

20 (iv) The corporation does not deliver its annual
21 reports or pay the annual license taxes to the secretary of
22 state when due pursuant to W.S. 17-19-1630; ~~or~~

23

1 (vi) An incorporator, director, officer or agent
2 of the corporation signed a document he knew was false in
3 any material respect with intent that the document be
4 delivered to the secretary of state for filing; or

5
6 (vii) The corporation has failed to respond to a
7 subpoena.

8
9 (b) Prior to commencing a proceeding under 17-19-1421
10 the secretary of state may classify a corporation as
11 delinquent awaiting administrative dissolution if the
12 corporation meets any of the criteria in subsection (a) of
13 this section.

14
15 **17-19-1421. Procedure for and effect of**
16 **administrative dissolution.**

17
18 (a) Upon determining that one (1) or more grounds
19 exist under W.S. 17-19-1420 for dissolving a corporation,
20 the secretary of state shall serve the corporation with
21 written notice of that determination under W.S. 17-19-504.
22 ~~except for dissolution pursuant to W.S. 17-19-1420(a)(iv)~~
23 ~~in which case notice of the proposed dissolution shall be~~

1 ~~given only as provided in subsection (e) of this section.~~

2 In the case of a public benefit corporation the secretary

3 of state shall also notify the attorney general in writing.

4

5 (b) If the corporation does not correct each ground
6 for dissolution or demonstrate to the reasonable
7 satisfaction of the secretary of state that each ground
8 determined by the secretary of state does not exist within
9 at least sixty (60) days after service of the notice is
10 perfected under W.S. 17-19-504, the secretary of state may
11 administratively dissolve the corporation by signing a
12 certificate of dissolution that recites the ground or
13 grounds for dissolution and its effective date. The
14 secretary of state shall file the original of the
15 certificate and serve a copy on the corporation under W.S.
16 17-19-504, and in the case of a public benefit corporation
17 shall notify the attorney general in writing. ~~The~~
18 ~~provisions of subsection (e) of this section shall govern~~
19 ~~the procedures for dissolution pursuant to W.S. 17-19-~~
20 ~~1420(a)(iv).~~

21

22 **17-19-1422. Reinstatement following administrative**
23 **dissolution.**

1

2 (a) A corporation administratively dissolved under
3 W.S. 17-19-1421 may apply to the secretary of state for
4 reinstatement within two (2) years after the effective date
5 of dissolution. Reinstatement may be denied by the
6 secretary of state if the corporation has been the subject
7 of secretary of state and law enforcement investigation
8 pertaining to fraud or any other violation of state or
9 federal law, or if there is other reason to believe the
10 corporation was engaged in illegal operations. The
11 application shall:

12

13 (iv) If the corporation was administratively
14 dissolved for failing to deliver its annual report or pay
15 the annual license taxes to the secretary of state when due
16 pursuant to W.S. 17-19-1630, include payment of a sum equal
17 to double the amount of fees and taxes then delinquent and
18 the reinstatement certificate fee prescribed by W.S. 17-19-
19 122; and-

20

21 (v) If the corporation was administratively
22 dissolved for failure to maintain a registered agent,

1 include payment of a XXX dollar (\$XXX.00) reinstatement
2 fee.

3

4 **17-19-1530. Grounds for revocation.**

5

6 (a) The secretary of state may commence a proceeding
7 under W.S. 17-19-1531 to revoke the certificate of
8 authority of a foreign corporation authorized to transact
9 business in this state if:

10

11 (iv) The secretary of state receives a duly
12 authenticated certificate from the secretary of state or
13 other official having custody of corporate records in the
14 state or country under whose law the foreign corporation is
15 incorporated stating that it has been dissolved or
16 disappeared as the result of a merger; ~~or~~

17

18 (v) The corporation does not deliver its annual
19 reports or pay the annual license taxes to the secretary of
20 state when due pursuant to W.S. 17-19-1630; ~~or~~

21

22 (vi) The corporation has failed to respond to a
23 subpoena; or

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(vii) It is in the public interest and the

3

corporation:

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5

(A) Has provided fraudulent information or

6

has failed to correct false information upon request of the

7

secretary of state on any filing with the secretary of

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state under this act; or

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(B) Cannot be served by either the

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registered agent or by mail by the secretary of state

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acting as the agent for process.

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(c) Prior to commencing a proceeding under W.S. 17-

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19-1531 the secretary of state may classify a foreign

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corporation as delinquent awaiting administrative

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revocation if the foreign corporation meets any of the

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criteria in subsection (a) of this section.

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17-19-1531. Procedure and effect of revocation.

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22

(a) The secretary of state upon determining that one

23

(1) or more grounds exist under W.S. 17-19-1530 for

1 revocation of a certificate of authority shall serve the
2 foreign corporation with written notice of that
3 determination under W.S. 17-19-1510[.], ~~except for revocation~~
4 ~~pursuant to W.S. 17-19-1530(a)(v) in which case notice of~~
5 ~~the proposed revocation shall be given only as provided in~~
6 ~~subsection (g) of this section.~~

7
8 (c) If the foreign corporation does not correct each
9 ground for revocation or demonstrate to the reasonable
10 satisfaction of the secretary of state or attorney general
11 that each ground for revocation determined by the secretary
12 of state or attorney general does not exist within sixty
13 (60) days after service of the notice is perfected under
14 W.S. 17-19-1510, the secretary of state may revoke the
15 foreign corporation's certificate of authority by signing a
16 certificate of revocation that recites the ground or
17 grounds for revocation and its effective date. The
18 secretary of state shall file the original of the
19 certificate and serve a copy on the foreign corporation
20 under W.S. 17-19-1510. ~~The provisions of subsection (g) of~~
21 ~~this section shall govern the procedures for revocation~~
22 ~~pursuant to W.S. 17-19-1530(a)(v).~~

23

1 **Section 3.** W.S. 17-16-129, 17-16-1421(e),
2 17-16-1531(f), 17-19-1421(e) and 17-19-1531(g) are
3 repealed.

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5 **Section 4.** This act is effective July 1, 2008.

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(END)