

OFFICE OF THE
MISSISSIPPI
SECRETARY OF
STATE

FY 2017
ANNUAL
REPORT



DELBERT HOSEMANN
Secretary of State





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OUR MISSION

The Secretary of State's Office serves the citizens of the State of Mississippi and fulfills statutory requirements for Business Services, Charities, Education and Publications, Elections, Policy and Research, Public Lands, Regulation and Enforcement, and Securities in a transparent, efficient, and cost effective manner.

KEY PRIORITIES

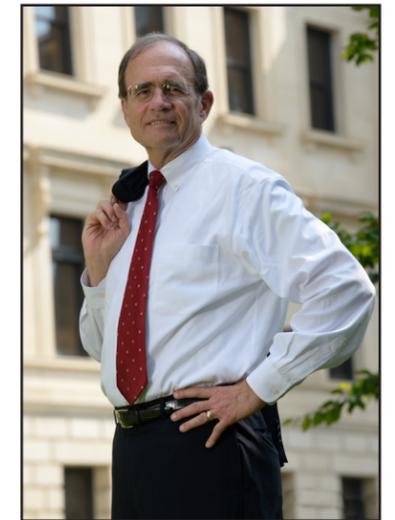
The Secretary of State's Office targeted key priorities for fiscal year 2017 and for each of the eight divisions of the Secretary of State's Office. Details for each of these priorities of the Agency are highlighted within this FY 2017 Annual Report.



The Office of the Secretary of State was first established in our State's original Constitution in 1817. Over the years, the Office of the Mississippi Secretary of State has been entrusted with a number of duties, responsibilities, and functions by the State Legislature.

The Agency's functions range from the oversight of Gulf Coast Tidelands and 16th Section Lands to scrap metal sales; from the registration of pre-need cemetery plans to the registration of corporations; from conducting training for local election officials to conducting investigations of securities firms and charities. The Agency's list of responsibilities lengthens each year, with one goal in mind protecting and serving the citizens of Mississippi. We have worked to reduce costs and speed up delivery of services by fully automating our filing system and improving our website. We are particularly pleased with Y'all Business and the hundreds of thousands of pieces of data and information for each Mississippi county accessible on this site.

We are proud of the services we provide daily to our citizens, and invite you to contact us for any information or assistance you may need.



DELBERT HOSEMANN
Secretary of State

Thank you,

Delbert Hosemann
Secretary of State

ABOUT THE SECRETARY OF STATE'S OFFICE

The Office of the Secretary of State is dedicated to being both a service and information agency. There are eight divisions within the Secretary of State's Office: Business Services, Charities, Education and Publications, Elections, Policy and Research, Public Lands, Regulation and Enforcement, and Securities. In addition, the Agency employs executive and administrative staff which help oversee the various functions of the office.

LOCATIONS

JACKSON

401 Mississippi Street
Jackson, MS 39201

125 South Congress Street
Jackson, MS 39201

P.O. Box 136
Jackson, MS 39205
(601) 359-1350
Fax (601) 359-1499

400 High Street, Room 105
New Capitol Building
Jackson, MS 39201
(601) 359-3123

TUPELO

431 West Main Street, Suite 403
Tupelo, MS 38802
(662) 844-0194
Fax (662) 842-3892

HERNANDO

316 West Commerce Street
Hernando, MS 38632-2120
(662) 449-3362

GULFPORT

1701 B 24th Avenue
Gulfport, MS 39501

P.O. Box 97
Gulfport, MS 39502
(228) 864-0254
Fax (228) 864-0325

EXECUTIVE SUMMARY



Business Services

The Business Services Division administers Mississippi's Corporation, LLC, and UCC laws, and handles filings related to business formations and regulation. The Division also issues notary commissions, registers correspondence schools, and administers trademark, service mark, and non-profit laws. It serves as a default agent for service of process.

Charities

The Charities Division registers charitable organizations and professional fundraisers that solicit contributions in the State, in addition to responding to charities complaints and investigating potential charities fraud.

Education and Publications

The Education and Publications Division produces and distributes statutory publications of the State, including the Official and Statistical Register, known as the "Blue Book." The Division also coordinates the annual K-12 Promote the Vote program and other educational outreach efforts.

Elections

The Elections Division administers the State Election Code, trains municipal and county Election Commissioners, and enforces campaign finance and lobbying requirements, as well as supports the Secretary of State in his role as Chief Elections Officer for the State of Mississippi.

Policy and Research

The Policy and Research Division acts as a research and development arm for the Agency, looking for new ways to streamline services and develop potential legislation.

Public Lands

The Public Lands Division administers and supervises State-owned lands, including 16th Section School Trust Lands, Public Trust Tidelands, Lieu Lands, and Tax Forfeited Property. Public Lands also maintains an inventory of Agency-held lands.

Regulation and Enforcement

The Regulation and Enforcement Division is tasked with regulating pre-need/perpetual care providers, enforcing scrap metal laws in the State, and overseeing administrative procedures for State government. The Division also conducts Scrap Metal Law Enforcement Training.

Securities

The Securities Division administers Mississippi's Uniform Securities Laws and investigates securities fraud. The Division also registers State investment advisers, and broker-dealer firms and representatives.

The Secretary of State has office locations in Jackson, Gulfport, Hernando, and Tupelo to better serve the entire State. An office within the Capitol building in Jackson receives and records executive documents from the Governor. This is part of the Secretary of State's role as "Keeper of the Capitol." Performance measures for each Division are collected and reported quarterly.

FINANCIAL SUMMARY

BUSINESS SERVICES, CHARITIES, REGULATION AND ENFORCEMENT, SECURITIES

EFFICIENCIES	CATEGORY	OUTPUT	
<ul style="list-style-type: none"> Continue to provide online services provided for businesses and corporations Maintain turnaround times for customer filings of less than 24-48 hours Provide more opportunities and methods for enforcement education Increase registration of scrap metal dealers Reduce turnaround time for approval of Private Placement Securities Offering filings Increase number of routine exams of securities firms and investment advisers 	UCC documents filed	313,039	
	Telephone calls received	67,079	
	Other Corporate documents filed	51,160	
	Annual reports filed (Corp)	44,089	
	LLC annual reports filed	89,196	
	Notary registration/renewals apostilles	25,032	
	Charity registrations (initial and renewal) and exemptions	6,091	
	Trademarks	354	
	UCC searches	305	
	Securities/Charities audits, examinations, and renewals (firms/agents)	213	
	Securities/Charities legal actions (dispositions and opinions)	508	
	FEE INCOME: FY 2017		
		Charities	\$360,188
	Corporations	\$4,582,859	
	Enforcement Fee/Fines	\$678,593	
	LLC Annual Reports	\$2,799,750	
	Notaries and Trademarks	\$272,881	
	Regulation and Enforcement	\$80,030	
	Securities	\$17,633,130	
	Uniform Commercial Code	\$2,899,553	
	TOTAL:	\$29,306,984	

ADMINISTRATION

EFFICIENCIES	CATEGORY	OUTPUT
<ul style="list-style-type: none"> Continue to monitor and improve Agency internal controls/procedures to increase accountability for property and monies received specific to finance, purchasing, human resources, and information services Continue to upgrade the technological systems to provide better constituent services 	Parcels of mail processed	52,169
	Help Desk requests completed	4,794
	Payment vouchers prepared	2,345
	Personnel transactions processed	86
	Additional Efficiencies: Turnaround Time	
	Vendor payments	5 days
	Travel reimbursements	3 days

EDUCATION AND PUBLICATIONS

EFFICIENCIES	CATEGORY	OUTPUT
<ul style="list-style-type: none"> Continue to provide publications required by statute Continue providing accessibility of publications to constituents Continue compiling and providing statistical statewide information 	Statutorily required publications produced	15,857
	Constituent services	1,000
	Bills chaptered and recorded	546
	Agency promotion and exhibits	21
	Agency publications produced	18

ELECTIONS

EFFICIENCIES	CATEGORY	OUTPUT	
<ul style="list-style-type: none"> Continue to promote fair and honest elections by providing accurate election reports Streamline campaign finance and lobbyist filings and reports Provide election training sessions with internal staff Continue to promote increased voter registration and turnout 	Lobbying reports	3,454	
	Campaign finance reports	1,650	
	Election training sessions	1,853	
	FEE INCOME: FY 2017		
		Lobbying Registrations	
	Civil Penalties from Lobbying		
	Civil Penalties from Campaign Finance		
	Candidate Qualifying Fees		
	Public Record Requests		
	TOTAL: \$79,900		

PUBLIC LANDS

EFFICIENCIES	CATEGORY	OUTPUT	
<ul style="list-style-type: none"> Continue to conserve, preserve, protect, and manage the public lands of Mississippi Continue to make available to the public, all records of real property belonging to or under the control of the State of Mississippi Continue to streamline the electronic environment for sales and collection of data on public lands 	16th Section leases managed	12,985	
	Tax forfeited applications processed	12,670	
	Tax forfeited patents issued	2,557	
	FEE INCOME: FY 2017		
		Land Sales (Tax Forfeited)	\$3,059,214
	Tidelands	\$6,761,216	
	Tideland Assessment	\$1,961,122	
	TOTAL:	\$11,781,552	

BUSINESS SERVICES

67,079

Phone calls for business-related services in **under 30 seconds** by a live person

25,032

Notary applications/renewals and apostille registrations

497,484

Corporate documents and UCC's filed online, making the Division completely paperless

Oversee the formation of **25,000** new businesses annually

Online applications allow citizens to start a business or file an annual report online in a **matter of minutes**

Issue and renew **more than 400** state trademarks each year

Provide document research and copying for more than **10,000** citizens each year

STARTING A BUSINESS

The Business Services Division is the starting point for many entrepreneurs wishing to conduct business in the State. Consumers can search for a unique business name, check their corporate status, order certified documents, and search other companies. Business Services assists with the formation of corporations, limited liability companies, foreign business trusts, limited partnerships, and other business structures. State law determines the structure of each business.

NOTARIES PUBLIC

The Business Services Division oversees all notaries public in the State and receives nearly 9,300 notary applications and renewals per year. The Division investigates all notary complaints. Apostilles and authentications are prepared and attached to documents to verify authenticity or validity. Many of these documents are presented in foreign countries.

UNIFORM COMMERCIAL CODE

Uniform Commercial Code (UCC) filings are also handled through the Business Services Division. These secured transactions are recorded and accessible to financial institutions, governmental agencies, and others engaged in commercial lending and trade.

STATUTORY SERVICES

The Division is also responsible for a wide array of statutory responsibilities including accepting service of process, recording pesticides, registering carnivals, circuses, polygraph examiners, and recording public official bonds.

TRADEMARKS AND SERVICE MARKS

Trademarks and service marks are recorded and approved through the Business Services Division. Recent trademarks legislation proposed by the Secretary of State's Office and adopted by the legislature received international recognition as one of the most forward, aggressive trademark laws in the nation.

CHARTERS AND ANNEXATIONS

The Business Services Division also files interlocal agreements and municipal charters, and records annexations for all municipalities.



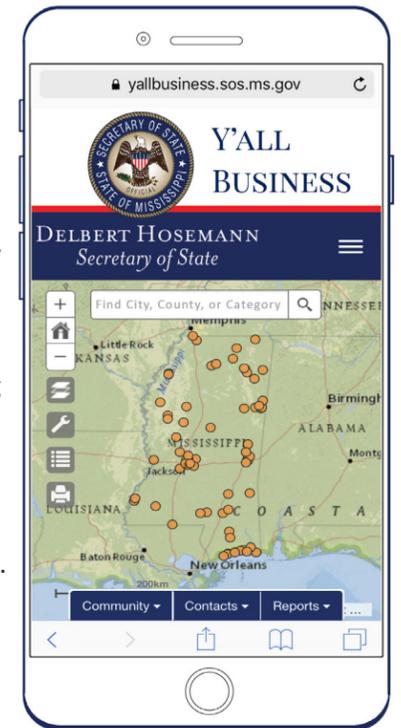
The Business Services Division provides business-related services to anyone wishing to do business in Mississippi.

Y'ALL BUSINESS

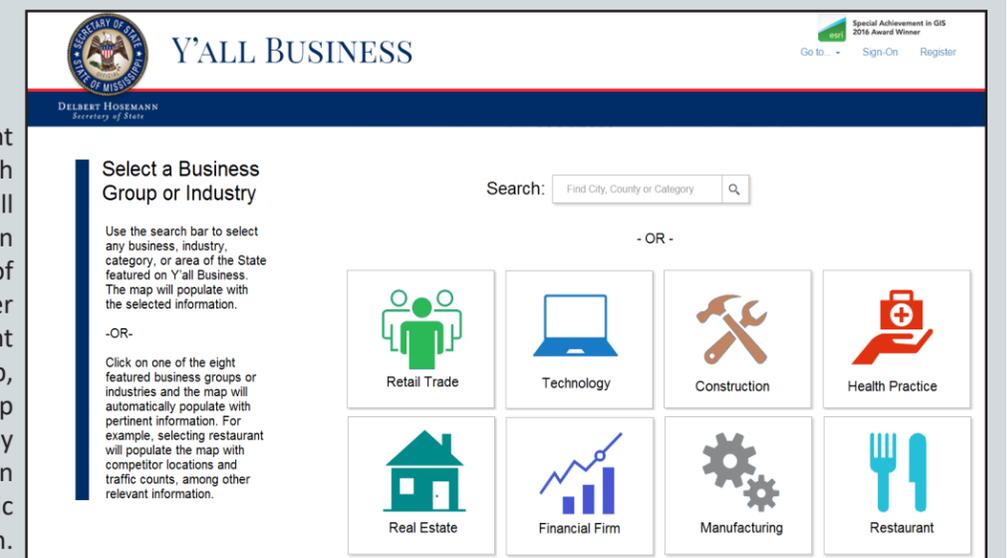
Y'all Business, a website designed to help small businesses locate or expand in the State of Mississippi, is part of our Office's continuing effort to promote jobs in our great State. This one-of-a-kind online resource for free Mississippi economic development information, relaunched in FY 2017 with new information and features, including a mobile interface making it easier to access the site on a cell phone.

The Secretary of State's Office surveyed more than 78,000 domestic businesses in planning for the relaunch. Among other questions, businesses were asked about their greatest barrier to developing or expanding their business in Mississippi. Survey answers helped determine new information categories and the redesign of the website.

The site provides a wealth of detailed information you need for your job and your business. Y'all Business has garnered more than 134,800 page views since its inception in October 2015. More than 14,400 free business summary, retail market, and other reports have been downloaded from the site.



Users can select one of eight business "groups," which automatically populates the Y'all Business map with information relevant to a particular type of business. For example, a user interested in opening a restaurant can select the restaurant group, which would populate the map with information about nearby competitor restaurants, median household income, and area traffic counts, among other information.



SECURITIES

The Securities Division is responsible for enforcing the Mississippi securities laws, as well as the regulation and registration of securities firms, agents, and products.

The Securities Division regulates and registers investment adviser firms in Mississippi having less than \$100 million in investment funds under management. There are currently 41 state-based investment adviser firms registered with the Division (with another 43 out-of-state state-level firms registered with the Division and 958 SEC-level firms which are notice filed with the Division). In addition, there are 1,381 broker-dealer firms registered in the State (100 of those firms have branches within the State).

In FY 2017, the Division performed routine exams on 40 broker-dealer and investment adviser firms and conducted 60 securities investigations. Sources for these investigations included complaints and tips of possible securities laws violations from both investors and the public, exam findings, and registration filings. Of these 60 investigations, 38 cases dealt with late notice filings of federal Regulation D Offerings.

The Division began accepting Regulation D notice filings electronically in December 2014, which has enabled the Division to reduce the turnaround time for processing these filings. In FY 2017, electronic filings surpassed paper filings: 365 electronic filings to 274 paper filings. The Division also processes mutual fund notice filings. In FY 2017, the Division handled 5,798 paper filings and 26,150 electronic filings.

The Securities Division protects investors in the State from unscrupulous organizations using the most up-to-date securities laws in the nation.

INVEST MISSISSIPPI CROWDFUNDING

Intrastate Exemption Rule 7.21 and Simplified Registration Rule 2.04
Guidelines for soliciting and accepting start-up and expansion capital via internet-based investing

Crowdfunding is a new, evolving method of raising capital through the internet. Importantly, it opens up investment opportunities previously reserved for accredited investors to non-accredited investors. Invest Mississippi Crowdfunding allows smaller investors to get an early seat at the table of a big idea while providing Mississippi entrepreneurs with critical startup capital.

The Secretary of State is focused on investor protection and responsible capital formation. The Securities Division answers questions about the process, whether from businesses or investors.



\$18,253,743
Amount of revenue collected in offering-related filings, registration filings for securities professionals and firms, and administrative enforcement cases

126,214
Professional filings

32,687
Offering-related filings

39
Administrative enforcement cases

41
State-based investment adviser firms now registered with the Office of the Secretary of State

60
Conducted more than sixty investigations, which included possible securities laws violations

1,381
Broker-dealer firms registered in the State

CHARITIES

Through enforcement of the Mississippi Charitable Solicitation Act, the Mississippi Secretary of State's Charities Division is responsible for protecting donors in the State by ensuring their hard-earned dollars are used for the purpose intended.

The Charities Division protects Mississippi donors from unscrupulous charities who might prey on our citizens.

THE CHARITIES ACT requires the registration of every nonprofit soliciting contributions and having fundraisers with the Charities Division. The Charities Act does allow certain organizations to be exempted from this registration requirement. However, this exemption is not automatic. The organization must request the exemption by submitting the online notice of exemption form.

The Charities Act not only strengthens the Agency's ability to enforce laws against dishonest charities, but also gives the Charities Division the authority to subpoena witnesses and documents during investigations and to bring actions in Chancery Court to stop illegal activities, collect fines, and remove charitable corporate status. Through the strong enforcement of the Charities Act, Mississippi donors can have more confidence in their charitable giving. Citizens are able to check the status of charities by reviewing the *Report of Charitable Giving in Mississippi* on the Secretary of State's website.

To protect Mississippi donors, a key priority of the Agency is to make it more difficult for organizations to misappropriate charitable dollars. The Agency will continue working with charitable organizations in the state to maximize the amount of funds allocated for actual charitable purposes. Increasing the transparency in charitable organizations and providing this information to Mississippians allows our citizens to have peace of mind in charitable giving.

8,000
There are approximately 8,000 charities registered or exempted with the Charities Division.

FOR YOUR PROTECTION

- Armed with the most up-to-date Charities laws in the nation to protect Mississippians
- An annual #CHECKYOURCHARITY campaign lets you know how your donations are spent
- Charities Renewal Filing Date is same as charity filing date with the Internal Revenue Service
- Charity complaints can be filed with the Division on the Secretary of State's website

#CHECKYOURCHARITY

The Secretary of State's Office promotes a #CheckYourCharity campaign during the holiday season. The Charities Division encourages Mississippians to check their supported charities with the Secretary of State's Office before they donate.

In FY 2017, the Charities Division served as a resource to vet disaster relief charities after multiple tornadoes swept through areas of the State during the spring. Donors seeking information about the registration and financial practices of many disaster relief charities were referred to the Division and Secretary of State's website.



ELECTIONS

The role of the Elections Division will continue to include election administration, training county and municipal election officials, managing the Statewide Election Management System (SEMS), providing elections-related financial, technical and legal support to the counties and municipalities, receiving election returns, assisting local elections officials in carrying out their election-related responsibilities, and collecting campaign finance and lobbying reports.

- 6,457**
Voter IDs issued to date
- 3,454**
Lobbying reports
- 1,650**
Campaign finance reports
- 1,853**
Training sessions for County and Municipal Election Officials
- 64.32%**
of the 1,878,991 registered voters cast a ballot in the 2016 General Election
- 23 observers and 33 counties**
Observed in the 2016 General Election
- 1,846**
Telephone calls received on 2016 General Election day
- 78**
2017 Democratic Municipal Primary Elections
- 48**
2017 Republican Municipal Primary Elections

CAMPAIGN FINANCE

The Elections Division is continuously streamlining the reporting systems for campaign finance through a more user-friendly, computer-driven approach. The Agency has consistently advocated increased public disclosure and transparency from elected officials and candidates. Maintaining open and accessible information is a top priority for the Mississippi Secretary of State's Office.

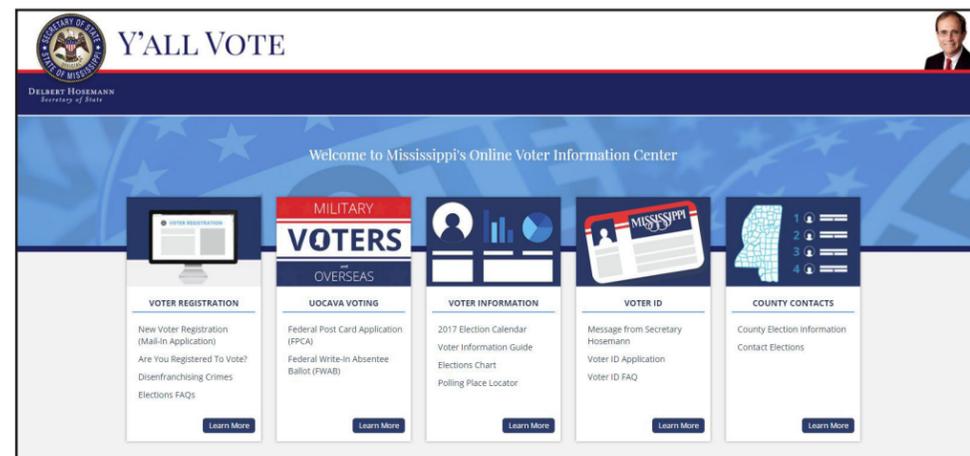
Mississippi law requires all candidates for public office disclose to the public the sources of their receipts and disbursements.

In FY 2017, the Elections Division developed a NEW CAMPAIGN FINANCE WEBSITE allowing filers to download user-friendly Excel spreadsheets, input contributions and disbursements over time, and upload the information into the online report before deadline days. Contributions and disbursements can also be manually typed in the report online. The website has a second residual impact on the wider public: all reports filed online through the new system are searchable by candidate or political committee name, office, expenditure, or contribution. Late-filer reports are also available on the website. Campaign finance reports may be viewed online by the general public on the Secretary of State's website.

The Y'ALL VOTE website, launched in September 2016, is an online voter information center aimed at preparing voters to cast a ballot on Election Day. Information on election dates, voter registration, military voters, voter ID, and more can all be found on the Y'all Vote website.

Mississippi voters are able to:

- Change voter-roll information by submitting an online application
- Determine whether they are registered to vote
- Locate their polling place



The Elections Division works for fair, unbiased elections through accountability and training as Mississippi citizens exercise their right to vote.

Assist county and municipalities in preparing for elections	Train and certify County and Municipal Election Officials	Maintain and publish campaign finance and lobbying reports	Accept constitutional initiative filings	Accept qualifying paperwork for statewide, judicial, and legislative candidates	Maintain the statewide voter registration database
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LOBBYIST REGISTRATION

Mississippi law requires all lobbyists register with the Secretary of State's Office in order to conduct business in the State. Lobbyists' and Lobbyists' Clients reports may be viewed online by the general public on the Secretary of State's website.

CERTIFICATION OF ELECTION RESULTS

The Office of the Mississippi Secretary of State is responsible for certifying Statewide elections and multi-county elections.

SEMS

The Elections Division works with election officials of counties and municipalities to maintain a statewide voter registration database, known as the Statewide Elections Management System, or "SEMS." The Division provides education and the tools available to the appropriate election officials in order to maintain accurate voter rolls.

TRAINING

The Elections Division provides certification programs and continuing education training programs to county and municipal Election Commissioners and executive committees. Training programs address substantive law as well as technical aspects of the Statewide Elections Management System and the Statewide Voting Machine System. Training is provided to election officials on how to operate specific voting devices, as well as how to train individual poll managers for election day responsibilities. The Division is focused on utilizing current technology, such as webinars and online poll manager training, to make our training accessible to election officials throughout the State.

INITIATIVES

All proposed amendments to the Mississippi Constitution must be registered with the Elections Division of the Secretary of State's Office. The official ballot title and summary are prepared by the State Attorney General. Initiatives are only valid for one year, during which time a petition must be circulated to gather signatures to place the measure on the next statewide general election ballot.

PUBLIC REQUESTS FROM INDIVIDUALS, CANDIDATES, AND FEDERAL AGENCIES

The Elections Division responds to numerous public records requests for voter registration statistics, statewide and district voter rolls, election results, Uniformed and Overseas Voter statistics, and the number of voters casting an absentee ballot. The Division provides information to the public on a statewide and national level.

EDUCATION AND PUBLICATIONS

The Education and Publications Division of the Mississippi Secretary of State's Office produces State and Agency documents in traditional paper-and-ink publications, as well as digital versions on the Agency's website. Interim updates are also made to the digital versions of traditionally formatted print publications.

PUBLICATIONS

The Education and Publications Division designs and prints several State and Agency publications in-house, including the *Magnolia Book* (Guide to the Magnolia State), Promote the Vote materials, Agency brochures, and Voter ID materials. In addition to publishing both print and digital versions of the Judiciary Directory and Court Calendar, the Elections Calendar, and the Directory of State and Local Officials, the Division oversees the chaptering, indexing, and distribution of all adopted legislation and compiles the information annually for publication of the General Laws and Local and Private Laws of the State. The Division also publishes House and Senate Journals for each legislative session.

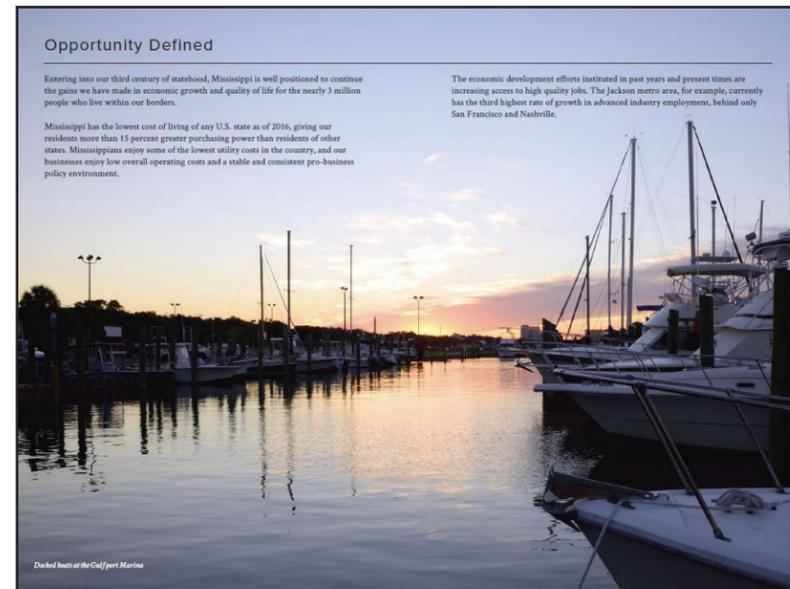
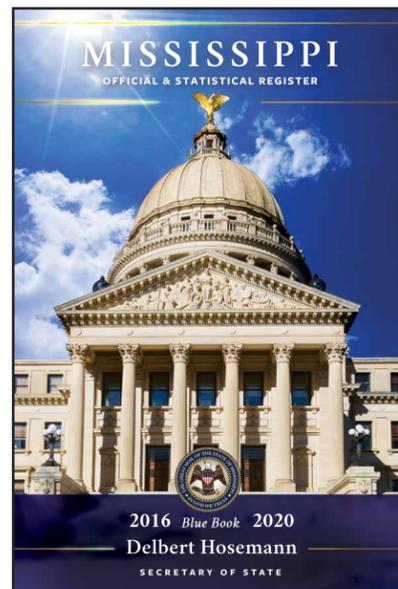
- Blue Book
- Charities Report
- Directory of State and County Officials
- Elections Calendar
- General Laws
- House Journal
- Judiciary Directory and Court Calendar
- Local and Private Laws
- Magnolia Booklet
- Mississippi Constitution
- My Mississippi Coloring Book
- Senate Journal

ONLINE PUBLICATIONS
Digital versions of publications are online and regularly updated.



BLUE BOOK

The Bicentennial edition of the *Official and Statistical Register of the State of Mississippi* (2016-2020), more commonly known as the "Blue Book," was published and printed in April 2017. The Blue Book is provided in hard-cover, paperback, and digital versions and regularly updated on the Secretary of State's website.



EDUCATION

Promote the Vote is an annual voter education program sponsored by the Secretary of State's Office to educate Mississippi students in Kindergarten through Grade 12 about the political process and civic duties. The goal is to encourage students to become informed citizens and voters as adults. The program is free for all public, private, parochial, and home-school classrooms. Promote the Vote includes classroom activities, grade level art and essay contests, and a statewide mock election preceding every statewide general election. The Education and Publications Division hosts the Agency's annual Promote the Vote Awards Ceremony each year at the State Capitol in February, where students are honored for top honors in competitions including art and essay.



PROMOTE THE VOTE

The 2016 Promote the Vote theme, "My Voice, My Vote," highlighted the importance of voting to our democracy and how one ballot truly can make a difference in an election.

More than 28,300 votes were cast by students in the 2016 Promote the Vote mock election. Students who cast their ballots represent about 103 schools across the State. More than 292 schools, and about 95,499 students, signed up to participate in the 2016 Promote the Vote activities.

Forty-seven students who participated in visual arts, essay, editorial, and advertising contests were awarded at a ceremony at the State Capitol in February 2017.



Secretary Hosemann presents each student with a medal and certificate of achievement. Legislators and school officials are on hand to congratulate their district winners. Secretary Hosemann also presents teachers with certificates of appreciation for their support of the Promote the Vote program.

PUBLIC LANDS

The Public Lands Division continues to fulfill the constitutional and statutory duties regarding the stewardship of 16th Section Public School Trust Lands and Lieu Lands, timber, and the Public Trust Tidelands.

16TH SECTION LANDS

The Secretary of State serves as supervisory trustee overseeing the management and leasing of more than 640,000 acres of 16th Section Public School Trust Lands by 102 local school districts. The Public Lands Division strives to improve leasing practices on 16th Section lands.

The Division maintains a map on the Agency website showing the approximate location of all hunting and fishing leases across the State, with rental information and contact information for managing school boards.

The Agency website also publishes public bid notices for hunting and fishing leases, agricultural leases, sales of timber and other forest products, and oil and gas leases.

The Secretary of State and Mississippi Forestry Commission maintain a cooperative partnership with local school districts to manage timber assets. The Division maintains pre-sale inventories of timber sold by lump-sum sale, monitors current timber harvest operations, inspects properties for proper usage and waste, and assists businesses by emerging markets for renewable energy in determining the availability and type of resources available on public school trust lands.

The Public Lands Division strives to improve leasing practices for 16th Section land in order to receive the maximum rate of return for schools.

12,985	\$81.2 million	\$24.1 million	\$13.8 million	\$5.8 million
16th Section land leases	Revenues from 16th Section leases **	Revenue from surface leasing	Sales of timber/forest products	Oil and gas royalty payments

* 101 of 102 school districts reporting as of December 14, 2017.
 ** All 16th Section land revenue stays with the local school district.

PUBLIC TRUST TIDELANDS and submerged lands are under water lands naturally subject to tidal influence. The inland boundary is the mean high tide line established over 19-years epochs, and the seaward boundary is the State boundary, about ten miles south of the barrier islands. These Tidelands are owned by the State in trust for the citizens of Mississippi. **THE SECRETARY OF STATE IS THE TRUSTEE OF THIS GREAT PUBLIC TRUST.**

It is declared to be the public policy of this State to favor the preservation of the natural trust of the public tidelands and their ecosystems and to prevent the despoliation and destruction of them, except where a specific alteration of specific public trust tidelands would serve a higher public interest in compliance with the public purpose of the public trust in which such tidelands are held. (Miss. Code Ann. § 29-15-3)

With regard to the Public Trust Tidelands and submerged lands held by the State in trust, the focus of the Division is to:

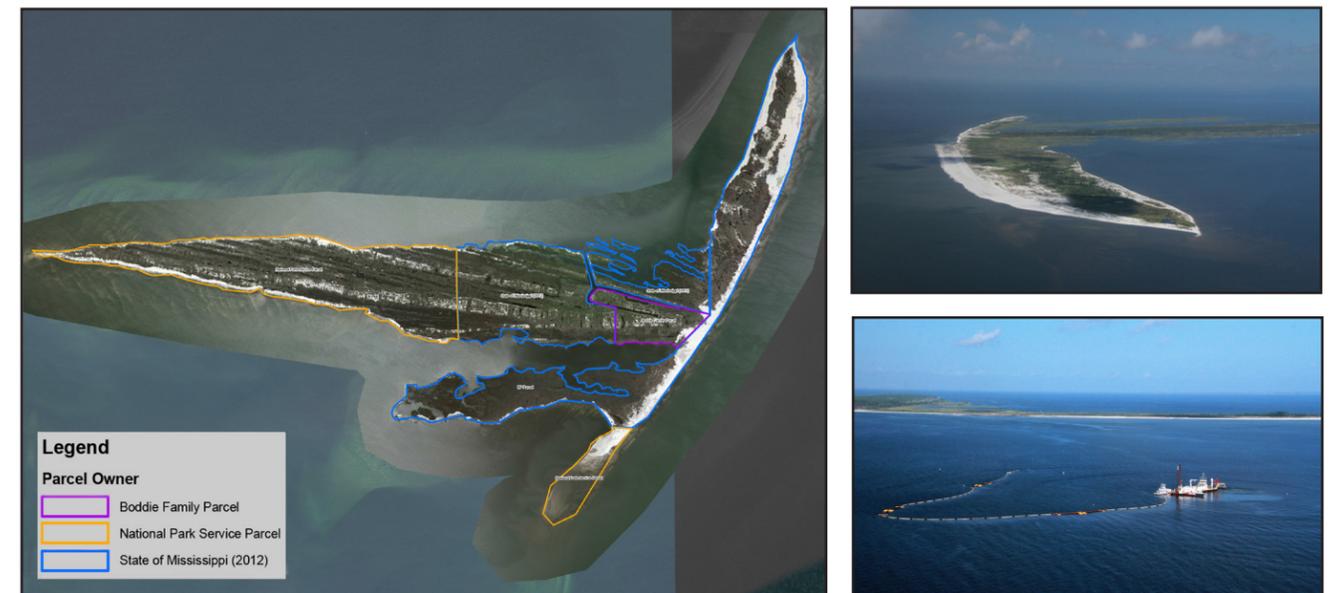
- Protect public use and public access
- Acquire property for preservation and protection in the coastal preserve system
- Support the restoration of degraded public wetlands
- Develop the use of Public Trust Tidelands for recreational and educational purposes which meet the higher purpose for which the trust was established

CAT ISLAND

Secretary Hosemann, in his role as State Land Commissioner, accepted the deed to 492 acres known as the “East Beach” and “Middle Spit” of Cat Island from BP Exploration & Production, Inc. (BP) in late 2016. BP acquired the acreage, which is valued at approximately \$13.7 Million, from the Boddie family in 2011.

The full cost of the transfer of the 492 acres to the State was paid by the federal Mississippi Coastal Improvements Program. No State funds were expended to purchase this land. Congress created the Coastal Improvements Program after the devastation of Hurricane Katrina to restore the Mississippi Gulf Coast and increase its resilience to future storms. The restoration program is administered by the U.S. Army Corps of Engineers.

On November 17, 2016, Secretary Hosemann and the Department of the Army also entered into a Memorandum of Agreement for Construction of the Mississippi Coastal Improvements Barrier Island Restoration Plan, Cat Island Restoration.



TAX FORFEITED PROPERTY

All properties for which ad valorem taxes are past due are subject to sale by the county in which the lands are located. Any lands not purchased at the local tax sale are stricken from local tax rolls, and transferred to the State, subject to sale by the Secretary of State pursuant to applicable statutes. The Secretary of State works to sell these lands and return parcels to productive use. Through private ownership, these lands once again produce property tax revenues for the counties and municipalities in which they are located. Currently, the State holds more than 11,000 tax forfeited lands valued at approximately \$50 million.

The continued goal of the Tax Forfeited Property Division is to provide the members of the legislature, agency officials, county officials, and the general public accurate land information to allow proper utilization and management, and, where the legislature deems appropriate, transfer parcels so they may be transitioned back onto the county property rolls.

ONLINE AUCTIONS

Online bidding in tax-forfeited property auctions launched in FY 2017 on the Secretary of State's website. Bids may be submitted online at the Secretary of State's website. To place a bid, the user must register online. Users are able to view property details such as parcel location, pictures, and an auction map. Other information such as auction dates, bid notices, and bid amounts are also available. Successful bidders are notified by email and payment of the bid amount must be paid within 15 days of notification.

The "Buy It Now" feature was added to the online portal in FY 2017, allowing bidders to pay a "Buy It Now" price on any parcel in order to purchase a property immediately instead of waiting until the end of the auction.

FY 2017 AUCTIONS

Pearl River County
Began 07/27/2016 and closed 08/24/2016

City of Jackson
Began 08/31/2016 and closed 09/28/2016

City of Waveland
Began 08/31/2016 and closed 09/28/2016

Rankin County
Began 10/20/2016 and closed 11/09/2016

Coahoma County
Began 10/20/2016 and closed 11/09/2016

Hinds County
Began 03/02/2017 and closed 03/23/2017

Hancock County
Began 04/19/2017 and closed 05/17/2017

FY 2017 property sales total more than **\$3 million**

Held **seven** online auctions for tax forfeited properties

Tax forfeited lands can be transferred to governmental entities without cost for public use

An inventory of tax forfeited lands owned by the State is available on the Secretary of State's website.



REGULATION AND ENFORCEMENT

The Regulation and Enforcement Division of the Mississippi Secretary of State's Office serves various consumer protection interests with its regulation of pre-need funeral providers, privately owned cemeteries, and scrap metal dealers and recyclers. These business entities are examined and audited by Division staff to determine if the business is complying with State legislation and regulations designed to protect the consumers' interests. Examinations and audits may be either complaint-based or randomly selected. Violators are subject to administrative fines, suspension of a license, or, in extreme cases, revocation of a license issued by the Division.

The Regulation and Enforcement Division registers and regulates businesses subject to their jurisdiction, such as funeral homes, cemeteries, and scrap metal dealers.

PROTECTING CONSUMERS - PRE-NEED AND CEMETERY PURCHASES

Each year, Mississippi consumers make purchases in the aggregate of approximately \$50 million from funeral homes and cemeteries for pre-need funeral and cemetery goods and services. The purchase of final expense merchandise and services is a unique consumer transaction with the consumer paying for very specific goods and services that will be provided at an undetermined time in the future. Additionally, consumers usually have limited experience with making such end of life decisions and purchases. For these reasons, the Regulation and Enforcement Division is charged with enforcing laws enacted by the Mississippi Legislature to ensure that the consumer's funding for pre-need purchases is secure and in place at the time of death and that the goods and services meet the level of quality contemplated at the time of purchase.

Closely related to the purchase of pre-need funeral and cemetery goods and services, the Division also monitors and enforces compliance with perpetual care trusting laws by for-profit, privately owned cemeteries. There are approximately 100 for-profit cemeteries in Mississippi which offer and market perpetual care to the public. An important task of the Regulation and Enforcement Division is examination of the handling of consumer funds for burial plot purchases to ensure perpetual care trusting required by state law is accomplished. The Division worked cases throughout the state to assist consumers. In FY 2017, the Division successfully assisted **175** consumers in southeast Mississippi obtain the perpetual care and memorial markers purchased for their loved ones.

RULES AND REGULATIONS

The Regulation and Enforcement Division publishes the *Mississippi Administrative Bulletin* and the *Mississippi Administrative Code* where all State government rules and regulations are accessible to the public on the Secretary of State's website. The Division supports both the public and State agencies with procedural steps for adopting rules and obtaining public comment in the process. For the past year, the Division received and published over **1,000** regulation changes.

The screenshot shows a search interface titled "Administrative Bulletin Search". It includes a search bar for "Agency Search", a "Search Rule Summaries" field with a note "*Does not search rule text*", and an "Order By" dropdown set to "System Number" with radio buttons for "Ascending" and "Descending" (the latter is selected). There are also radio buttons for "Filing Type" (All, Final, Proposed) and "Search Date" (Final Date, Proposed Date, Effective Date, Withdrawal Date). At the bottom are "Search" and "Reset" buttons.

ATHLETE AGENT ACT

Additionally, the Division licenses and monitors the activities of Athlete Agents under the Mississippi Athlete Agent's Act. This Act helps to protect young athletes in the State from falling victim to unscrupulous sports agents who might otherwise attempt to take advantage of an athlete's inexperience when signing with a professional sports agent.

MISSISSIPPI RIVER DELTA AG THEFT TASK FORCE

In 2008, the Mississippi Legislature tasked the Secretary of State's Office with licensing metal dealers and metal recyclers in response to the rampant problem of metal theft throughout the country. In the spring of 2016, the Secretary of State's Office partnered with the Mississippi Department of Agriculture, law enforcement, farming interests, and metal dealers to address the unique challenges of deterring and solving metal theft crimes in Mississippi's agricultural sector. The task force quickly grew to include full participation from the same interests in Louisiana, Arkansas and Tennessee. With the use of technology and the building of relationships across state lines and across interested sectors in agriculture, this group works together to timely share key information about agricultural metal theft crimes with the common goal of successful prosecutions and deterrence.

POLICY AND RESEARCH

AGENCY CONTACTS

The Policy and Research Division is the research and development engine of the Mississippi Secretary of State's Office. The Division collaborates with volunteer panels of Mississippians selected by the Secretary of State to develop potential legislation and identify innovative solutions to challenges facing the State and the Agency. Many of the recommendations from these study groups have been adopted by the Mississippi Legislature, including reforms to Mississippi's corporate, LLC, nonprofit, trademark, and securities laws.

HOUSE BILL 467

(fully effective July 1, 2017)

Updates and revises the Election Code by implementing a certified poll manager training program, staggering election commissioners' terms, reducing the number of paper ballots required to be printed and machines to be used, and other various technical updates.

SENATE BILL 2423

(effective July 1, 2017)

Amends the Mississippi Securities Act to clarify failures to supervise and employee for more than twelve (12) months or failure to supervise multiple employees result in multiple violations of the Act.

SENATE BILL 2327

(effective July 1, 2017)

Revised the Mississippi Entity Conversion and Domestication Act to remove charitable non-profit corporations from the list of entities allowed to convert, increase the time period for entities to file corrections with the Secretary of State, recognize venue in Hinds County, clarify acts required of foreign entities domesticating to Mississippi, eliminate optional paper filings, and recognize director's signature authority for filings made with the Secretary of State.

SENATE BILL 2350

(effective July 1, 2017)

Updated the business corporations act to remove ten (10) year maximum time limit on voting trusts and to allow winding-up by administratively dissolved corporations.

SENATE BILL 2911

(effective July 1, 2017)

Requires investment advisers and broker-dealers to notify the Secretary of State's Office, and allow them to notify a third party or delay a transaction if they reasonably believe financial exploitation has been attempted or has occurred. This bill, along with its immunity provisions, encourages firms to report potential exploitation as early as possible.

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Agency Related Matters

16th Section Land
(601) 359-6377

Apostilles/Notary
(601) 359-1615

Campaign Finance
(601) 359-1358

Cemeteries
(601) 359-6747

Charity Lookup
(601) 359-1371

Corp./LLC/UCC
(601) 359-1633

Elections Hotline
(800) 829-6786

Flags
(601) 359-3123

General Laws
(601) 359-6344

Governor's Commissions
(601) 359-6344

Lobbying
(601) 359-9412

Public Records Request
(601) 359-6349

Scrap Metal
(601) 359-6361

Securities Investigations
(601) 359-1363

Tax Forfeited Land
(601) 359-1557

Tidelands
(228) 864-0254





DELBERT HOSEMANN
Secretary of State

Secretary of State's Office - FY 2017 Annual Report

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