

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Foreign adversary ownership or control of business entities.

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

A BILL

for

1 AN ACT relating to corporations, partnerships and
2 associations; amending the grounds for administrative
3 dissolution, revocation and forfeiture to include foreign
4 adversary ownership or control as specified; and providing
5 for an effective date.

6

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

8

9 **Section 1.** W.S. 17-16-1420(a)(vi)(B), (C) and by
10 creating a new subparagraph (D), 17-16-1530(a)(viii)(A),
11 (B) and by creating a new subparagraph (C), 17-19-
12 1420(a)(v)(A), (B) and by creating a new subparagraph (C),

1 17-19-1530(a)(vii)(A), (B) and by creating a new
2 subparagraph (C), 17-29-705(c)(iii)(B), (C) and by creating
3 a new subparagraph (D), 17-30-904(h)(iii)(C) and by
4 creating a new subparagraph (D) are amended to read:

5

6 **17-16-1420. Grounds for administrative dissolution.**

7

8 (a) The secretary of state may commence a proceeding
9 under W.S. 17-16-1421 to administratively dissolve a
10 corporation if any of the following has occurred:

11

12 (vi) It is in the public interest and the
13 corporation:

14

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

19

20 (C) Cannot be served by either the
21 secretary of state or the registered agent at its address
22 provided pursuant to W.S. 17-28-107;~~or~~ or

23

1 authority of a foreign corporation authorized to transact
2 business in this state if:

3

4 (viii) It is in the public interest and the
5 corporation:

6

7 (A) Has provided fraudulent information or
8 has failed to correct false information upon request of the
9 secretary of state on any filing under this act with the
10 secretary of state;~~or~~

11

12 (B) Cannot be served either by the
13 registered agent or by mail or electronically by the
14 secretary of state acting as the agent for process;~~or~~ or

15

16 (C) Is owned or controlled by a foreign
17 government or foreign nongovernment person determined to be
18 a foreign adversary by the United States secretary of
19 commerce and specified in 15 C.F.R. 791.4(a) or a successor
20 regulation, except for entities involved in transactions
21 approved by the committee on foreign investment in the
22 United States.

23

1 **17-19-1420. Grounds for administrative dissolution.**

2

3 (a) The secretary of state may commence a proceeding
4 under W.S. 17-19-1421 to administratively dissolve a
5 corporation if any of the following has occurred:

6

7 (v) It is in the public interest and the
8 corporation:

9

10 (A) Has provided fraudulent information or
11 has failed to correct false information upon request of the
12 secretary of state on any filing under this act with the
13 secretary of state;~~or~~

14

15 (B) Cannot be served by either the
16 secretary of state or the registered agent at its address
17 provided pursuant to W.S. 17-28-107;~~;~~ or

18

19 (C) Is owned or controlled by a foreign
20 government or foreign nongovernment person determined to be
21 a foreign adversary by the United States secretary of
22 commerce and specified in 15 C.F.R. 791.4(a) or a successor
23 regulation, except for entities involved in transactions

1 approved by the committee on foreign investment in the
2 United States.

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 any of the following has
10 occurred:

11

12 (vii) It is in the public interest and the
13 corporation:

14

15 (A) Has provided fraudulent information or
16 has failed to correct false information upon request of the
17 secretary of state on any filing with the secretary of
18 state under this act;~~or~~

19

20 (B) Cannot be served either by the
21 registered agent or by mail or electronically by the
22 secretary of state acting as the agent for process;~~or~~ or

23

1 (C) Is owned or controlled by a foreign
2 government or foreign nongovernment person determined to be
3 a foreign adversary by the United States secretary of
4 commerce and specified in 15 C.F.R. 791.4(a) or a successor
5 regulation, except for entities involved in transactions
6 approved by the committee on foreign investment in the
7 United States.

8
9 **17-29-705. Administrative forfeiture of authority and**
10 **articles of organization.**

11
12 (c) A limited liability company shall be deemed to be
13 transacting business within this state without authority,
14 to have forfeited any franchises, rights or privileges
15 acquired under the laws thereof and shall be deemed defunct
16 and to have forfeited its articles of organization or
17 certificate of authority acquired under the laws of this
18 state, and the forfeiture shall be made effective in the
19 manner provided in subsection (a) of this section, if:

20
21 (iii) It is in the public interest and the
22 limited liability company or any of its members:

23

1 (B) Has provided fraudulent information or
2 has failed to correct false information upon request of the
3 secretary of state on any filing with the secretary of
4 state under this chapter;~~or~~

5
6 (C) Cannot be served by either the
7 registered agent or by mail or electronically by the
8 secretary of state acting as the agent for process;~~or~~ or

9
10 (D) Is owned or controlled by a foreign
11 government or foreign nongovernment person determined to be
12 a foreign adversary by the United States secretary of
13 commerce and specified in 15 C.F.R. 791.4(a) or a successor
14 regulation, except for entities involved in transactions
15 approved by the committee on foreign investment in the
16 United States.

17
18 **17-30-904. Administrative forfeiture of authority and**
19 **articles of formation.**

20
21 (h) A statutory foundation shall be deemed to be
22 operating within this state without authority, to have
23 forfeited any rights or privileges acquired under the laws

1 of this state and shall be deemed to have forfeited its
2 articles of formation filed in this state if:

3

4 (iii) The public interest is served by
5 forfeiture and the statutory foundation, its founder or any
6 other person authorized to act on behalf of the statutory
7 foundation:

8

9 (C) Cannot be served by either the
10 registered agent or by the secretary of state acting as the
11 agent for process; ~~or~~ or

12

13 (D) Is owned or controlled by a foreign
14 government or foreign nongovernment person determined to be
15 a foreign adversary by the United States secretary of
16 commerce and specified in 15 C.F.R. 791.4(a) or a successor
17 regulation, except for entities involved in transactions
18 approved by the committee on foreign investment in the
19 United States.

20

21 *****
22 *****
23 STAFF COMMENT
24

1 For reference, this bill draft directly amends the statutes
2 governing the following types of business entities:
3

- 4 • Domestic and foreign corporations. W.S. 17-16-1420;
5 W.S. 17-16-1530.
6
- 7 • Domestic and foreign nonprofit corporations. W.S. 17-
8 19-1420; W.S. 17-19-1530.
9
- 10 • Limited liability companies. W.S. 17-29-705.
11
- 12 • Statutory foundations. W.S. 17-30-904.
13

14 In addition, the statutes governing certain other types of
15 business entities cross-reference some of the statutes that
16 are directly amended in this bill draft.
17

- 18 • Domestic and foreign cooperative marketing
19 associations. W.S. 17-10-247(c) ("The provisions of
20 W.S. 17-16-1420 through 17-16-1423 shall apply to the
21 administrative dissolution of any domestic cooperative
22 and the provisions of W.S. 17-16-1530 through 17-16-
23 1532 shall apply to the administrative dissolution of
24 any foreign cooperative.").
25
- 26 • Foreign limited liability partnerships. W.S. 17-14-
27 1006(b) ("The registration to transact business of a
28 foreign limited liability partnership is subject to
29 the same revocation and reinstatement provisions as
30 applicable to foreign corporations authorized to
31 transact business in this state pursuant to W.S. 17-
32 16-1530 through 17-16-1536.").
33
- 34 • Foreign statutory trust companies. W.S. 17-16-1534
35 ("To the extent not inconsistent with the Wyoming
36 Statutory Trust Act, W.S. 17-23-101 through 17-23-302,
37 a statutory trust as defined in W.S. 17-23-102(a)(v),
38 which is organized in another jurisdiction may do
39 business in Wyoming by complying with W.S. 17-16-1501
40 through 17-16-1507, 17-16-1520 and 17-16-1530 through
41 17-16-1532.").
42
- 43 • Foreign limited liability companies. W.S. 17-29-114
44 ("To the extent not inconsistent with this act or the

1 provisions of the Wyoming Business Corporations Act, a
 2 foreign limited liability company shall do business in
 3 Wyoming by complying with the provisions of W.S. 17-
 4 16-1501 through 17-16-1536 in the same manner as a
 5 foreign corporation. A foreign limited liability
 6 company's certificate of authority shall be revoked or
 7 reinstated in the manner provided for foreign
 8 corporations in W.S. 17-16-1530 through 17-16-1532.").

9
 10 LSO did not locate any other statutes that grant the
 11 Secretary of State broad administrative dissolution,
 12 revocation or forfeiture authority that is similar to the
 13 authority found in W.S. 17-16-1420, W.S. 17-16-1530, W.S.
 14 17-19-1420, W.S. 17-19-1530, W.S. 17-29-705 or 17-30-904
 15 (the statutes directly amended in this bill draft).

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 20 *****
 21 *****

22 **STAFF COMMENT**

23
 24 The language in this bill draft is modeled after language
 25 in Wyoming's recently enacted critical infrastructure
 26 statutes. W.S. 19-13-501(a)(iv)(A) (defining "designated
 27 country or person").

28
 29 The Committee may wish to consider the following:

- 30
 31 • Whether to define what it means for a foreign
 32 adversary specified in 15 C.F.R. 7.4(a) to "own" or
 33 "control" a business entity, or whether to use a
 34 different term(s).
 35
 36 ○ The Committee on Foreign Investment in the United
 37 States (CFIUS) statute defines "control" to mean
 38 "the power, direct or indirect, whether exercised
 39 or not exercised, to determine, direct, or decide
 40 important matters affecting an entity, subject to
 41 regulations prescribed by [CFIUS]." 50 U.S.C.
 42 § 4565(a)(3).
 43
 44 ○ The CFIUS regulations define "control" to mean
 45 "the power, direct or indirect, whether or not

1 exercised, through the ownership of a majority or
2 a dominant minority of the total outstanding
3 voting interest in an entity, board
4 representation, proxy voting, a special share,
5 contractual arrangements, formal or informal
6 arrangements to act in concert, or other means,
7 to determine, direct, or decide important matters
8 affecting an entity; in particular, but without
9 limitation, to determine, direct, take, reach, or
10 cause decisions regarding the following matters,
11 or any other similarly important matters
12 affecting an entity: (1) The sale, lease,
13 mortgage, pledge, or other transfer of any of the
14 tangible or intangible principal assets of the
15 entity, whether or not in the ordinary course of
16 business; (2) The reorganization, merger, or
17 dissolution of the entity; (3) The closing,
18 relocation, or substantial alteration of the
19 production, operational, or research and
20 development facilities of the entity; (4) Major
21 expenditures or investments, issuances of equity
22 or debt, or dividend payments by the entity, or
23 approval of the operating budget of the entity;
24 (5) The selection of new business lines or
25 ventures that the entity will pursue; (6) The
26 entry into, termination, or non-fulfillment by
27 the entity of significant contracts; (7) The
28 policies or procedures of the entity governing
29 the treatment of nonpublic technical, financial,
30 or other proprietary information of the entity;
31 (8) The appointment or dismissal of officers or
32 senior managers or, in the case of a partnership,
33 the general partner; (9) The appointment or
34 dismissal of employees with access to critical
35 technology or other sensitive technology or
36 classified U.S. Government information; or (10)
37 The amendment of the Articles of Incorporation,
38 constituent agreement, or other organizational
39 documents of the entity with respect to the
40 matters described in paragraphs (a)(1) through
41 (9) of this section."

42
43 ○ The regulations regarding Department of Defense
44 acquisitions define "effectively owned or
45 controlled" to mean "that a foreign government or

1 any entity controlled by a foreign government has
 2 the power, either directly or indirectly, whether
 3 exercised or exercisable, to control the
 4 election, appointment, or tenure of the Offeror's
 5 officers or a majority of the Offeror's board of
 6 directors by any means, e.g., ownership,
 7 contract, or operation of law (or equivalent
 8 power for unincorporated organizations)." 48
 9 C.F.R. § 252.209-7002(a) (1).

- 10
- 11 • Whether to create a new statute prohibiting foreign
 12 adversaries specified in 15 C.F.R. 7.4(a) from owning
 13 or controlling business entities.

 - 14
 - 15 • Whether the Secretary of State should have discretion
 16 or be required to seek the administrative dissolution,
 17 revocation or forfeiture of the authority of business
 18 entities that are owned or controlled by foreign
 19 adversaries specified in 15 C.F.R. 7.4(a).

 - 20
 - 21 • Whether to include an exception for situations where
 22 the control or ownership has been approved by CFIUS.

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 25 *****
 26

27 **Section 2.** This act is effective July 1, 2025.

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(END)