

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Business entity forced dissolution for fraud.

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

A BILL

for

1 AN ACT relating to corporations, partnerships and
2 associations; providing for the administrative dissolution
3 of or the revocation of certificate of authority for
4 corporations, limited liability companies and statutory
5 foundations as specified; and providing for an effective
6 date.

7

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

9

10 **Section 1.** W.S. 17-16-1420(a)(vi)(D), (E) and by
11 creating a new subparagraph (F), 17-16-1530(a)(viii)(C),
12 (D) and by creating a new subparagraph (E),

1 17-19-1420(a)(v)(C), (D) and by creating a new subparagraph
2 (E), 17-19-1530(a)(vii)(C), (D) and by creating a new
3 subparagraph (E), 17-29-705(c)(iii)(D), (E) and by creating
4 a new subparagraph (F) and 17-30-904(h)(iii)(D), (E) and by
5 creating a new subparagraph (F) are amended to read:

6
7 **17-16-1420. Grounds for administrative dissolution.**

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

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

15
16 (D) 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 if the ownership or control has been
21 approved by the committee on foreign investment in the
22 United States;~~or~~

1 (E) Has provided false or fraudulent
2 information to the registered agent, as determined by the
3 secretary of state during or following an examination of
4 records pursuant to W.S. 17-28-108 or following
5 notification by the registered agent; ~~or~~ or

6
7 (F) Has a board member who has been
8 convicted of or found civilly liable for any act that
9 constitutes fraud against another person under the laws of
10 the United States or the laws of this state.

11
12 **17-16-1530. Grounds for revocation.**

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

18
19 (viii) It is in the public interest and the
20 corporation:

21
22 (C) Is owned or controlled by a foreign
23 government or foreign nongovernment person determined to be

1 a foreign adversary by the United States secretary of
2 commerce and specified in 15 C.F.R. 791.4(a) or a successor
3 regulation, except if the ownership or control has been
4 approved by the committee on foreign investment in the
5 United States;~~or~~

6
7 (D) Has provided false or fraudulent
8 information to the registered agent, as determined by the
9 secretary of state during or following an examination of
10 records pursuant to W.S. 17-28-108 or following
11 notification by the registered agent;~~or~~ or

12
13 (E) Has a board member who has been
14 convicted of or found civilly liable for any act that
15 constitutes fraud against another person under the laws of
16 the United States or the laws of this state.

17
18 **17-19-1420. Grounds for administrative dissolution.**

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

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

3
4 (C) Is owned or controlled by a foreign
5 government or foreign nongovernment person determined to be
6 a foreign adversary by the United States secretary of
7 commerce and specified in 15 C.F.R. 791.4(a) or a successor
8 regulation, except if the ownership or control has been
9 approved by the committee on foreign investment in the
10 United States;~~or~~

11
12 (D) Has provided false or fraudulent
13 information to the registered agent, as determined by the
14 secretary of state during or following an examination of
15 records pursuant to W.S. 17-28-108 or following
16 notification by the registered agent;~~or~~ or

17
18 (E) Has a board member who has been
19 convicted of or found civilly liable for any act that
20 constitutes fraud against another person under the laws of
21 the United States or the laws of this state.

22
23 **17-19-1530. Grounds for revocation.**

1

2 (a) The secretary of state may commence a proceeding
3 under W.S. 17-19-1531 to revoke the certificate of
4 authority of a foreign corporation authorized to transact
5 business in this state if any of the following has
6 occurred:

7

8 (vii) It is in the public interest and the
9 corporation:

10

11 (C) Is owned or controlled by a foreign
12 government or foreign nongovernment person determined to be
13 a foreign adversary by the United States secretary of
14 commerce and specified in 15 C.F.R. 791.4(a) or a successor
15 regulation, except if the ownership or control has been
16 approved by the committee on foreign investment in the
17 United States;~~or~~

18

19 (D) Has provided false or fraudulent
20 information to the registered agent, as determined by the
21 secretary of state during or following an examination of
22 records pursuant to W.S. 17-28-108 or following
23 notification by the registered agent;~~or~~ or

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(E) Has a board member who has been convicted of or found civilly liable for any act that constitutes fraud against another person under the laws of the United States or the laws of this state.

17-29-705. Administrative forfeiture of authority and articles of organization.

(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 articles of organization or certificate of authority 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:

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

(D) Is owned or controlled by a foreign government or foreign nongovernment person determined to be

1 a foreign adversary by the United States secretary of
2 commerce and specified in 15 C.F.R. 791.4(a) or a successor
3 regulation, except if the ownership or control has been
4 approved by the committee on foreign investment in the
5 United States;~~or~~

6
7 (E) Has provided false or fraudulent
8 information to the registered agent, as determined by the
9 secretary of state during or following an examination of
10 records pursuant to W.S. 17-28-108 or following
11 notification by the registered agent;~~or~~ or

12
13 (F) Has been convicted of or found civilly
14 liable for any act that constitutes fraud against another
15 person under the laws of the United States or the laws of
16 this state.

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

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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 (D) Is owned or controlled by a foreign
10 government or foreign nongovernment person determined to be
11 a foreign adversary by the United States secretary of
12 commerce and specified in 15 C.F.R. 791.4(a) or a successor
13 regulation, except if the ownership or control has been
14 approved by the committee on foreign investment in the
15 United States;~~or~~

16

17 (E) Has provided false or fraudulent
18 information to the registered agent, as determined by the
19 secretary of state during or following an examination of
20 records pursuant to W.S. 17-28-108 or following
21 notification by the registered agent;~~or~~ or

22

1 (F) Has been convicted of or found civilly
2 liable for any act that constitutes fraud against another
3 person under the laws of the United States or the laws of
4 this state.

5

6 **Section 2.** This act is effective July 1, 2027.

7

8 (END)