

# Mississippi Secretary of State's Office

## FY 2019 Annual Report



DELBERT HOSEMAN  
*Secretary of State*



# DELBERT HOSEMAN

## *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

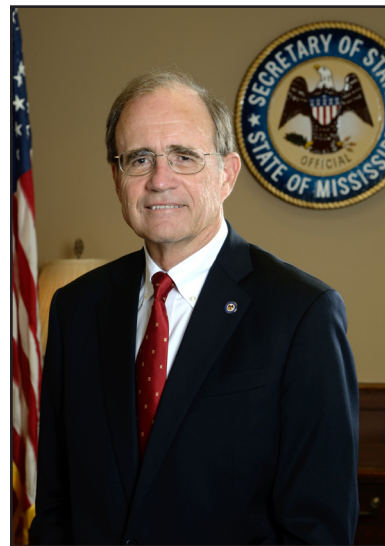
The Secretary of State's Office targeted key priorities for fiscal year 2019 and for each of the eight divisions of the Secretary of State's Office. Details for each of these priorities of the Agency are highlighted within this FY 2019 Annual Report.



The Secretary of State's Office was first established in our State's original Constitution in 1817. Over the years, the Office has been entrusted with a number of duties, responsibilities, and functions by the Mississippi 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 free for each Mississippi county accessible on this site. Our Public Lands Division exceeded one billion dollars used for public education over the last 12 years. The Elections Division helped conduct successful statewide elections using voter ID. Additionally, our Office is auctioning off Tax Forfeited Property at record levels, putting property back on the tax rolls and money in our counties and cities.

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,

A handwritten signature in blue ink that reads "Delbert".

Delbert Hosemann  
Secretary of State

# ABOUT THE SECRETARY OF STATE'S OFFICE

*The Secretary of State's Office 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 business entities 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 which 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 trains municipal and county Election Commissioners and receives in campaign finance and lobbying reports, 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's Office has 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

- 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

### FEE INCOME: FY 2019

Charities	<b>\$486,254</b>
Corporations	<b>\$5,320,842</b>
LLC Annual Reports	<b>\$3,280,511</b>
Notaries and Trademarks	<b>\$287,098</b>
Regulation and Enforcement	<b>\$149,295</b>
Securities	<b>\$18,428,121</b>
Uniform Commercial Code	<b>\$2,825,200</b>
<b>TOTAL:</b>	<b>\$30,777,321</b>

### CATEGORY

### OUTPUT

UCC documents filed	294,367
Telephone calls received	62,660
Other corporate documents filed	193,387
Corporate annual reports filed	44,843
LLC annual reports filed	104,663
Notary registration/renewals apostilles	32,512
Charity registrations (initial and renewal) and exemptions	6,347
Trademarks	450
UCC searches	322
Charities examinations, investigations, and complaints completed	407
Charities legal actions	297
Securities registrations and renewals (firms/agents)	134,177
Securities registrations and renewals (offerings)	31,708
Securities legal actions (dispositions and opinions)	63
Regulation and Enforcement registrations	543
Regulation and Enforcement examinations/investigations/complaints	202

## EDUCATION AND PUBLICATIONS

### EFFICIENCIES

- Continue to provide publications required by statute
- Continue providing accessibility of publications to constituents
- Continue compiling and providing statistical statewide information
- Continue to increase participation in Promote the Vote

### CATEGORY

### OUTPUT

Statutorily required publications produced	10,452
Constituent services	15,331
Bills chaptered and recorded	564
Agency promotion and exhibits	8
Agency publications produced	31

## ELECTIONS

### EFFICIENCIES

- 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

### CATEGORY

Lobbying reports	5,782
Campaign finance reports	3,003
Election training sessions	72

### OUTPUT

### FEE INCOME: FY 2019

Lobbying Registrations  
Civil Penalties from Lobbying  
Candidate Qualifying Fees

**TOTAL: \$72,905**

### FEDERAL GRANT: HAVA

Help America Vote Act (Interest and State Match): **\$87,955**

## PUBLIC LANDS

### EFFICIENCIES

- 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

### CATEGORY

16th Section leases managed	12,925
Tax forfeited applications processed	6,407
Tax forfeited patents issued	1,668

### OUTPUT

### FEE INCOME: FY 2019

Land Sales (Tax Forfeited)	<b>\$1,828,496</b>
Land Sales Application Fees (Tax Forfeited)	<b>\$10,120</b>
Tidelands	<b>\$9,585,576</b>
Tideland Assessment	<b>\$2,541,437</b>
<b>TOTAL:</b>	<b>\$13,965,629</b>

## ADMINISTRATION

### EFFICIENCIES

- Continue to monitor and improve internal controls/procedures to increase accountability for property and monies received
- Continue to upgrade the technological systems to provide better constituent services

### CATEGORY

Parcels of mail processed	43,400
Help Desk requests completed	5,601
Payment vouchers processed	2,504

### Additional Efficiencies: Turnaround Time

Vendor payments	5 days
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# BUSINESS SERVICES

*The Business Services Division provides business-related services to anyone interested in doing to do business in Mississippi.*

<b>62,660</b> Phone calls for business-related services answered in <b>under 30 seconds</b> by a live person	<b>32,512</b> Notary applications/renewals and apostille registrations	<b>533,588</b> Corporate documents and UCC's filed online, making the Division completely paperless	<b>32,000</b> Oversee the formation of 32,000 new businesses annually	Online applications allow citizens to start a business or file an annual report online in a <b>matter of minutes</b>	<b>450</b> Issue and renew <b>more than 450</b> State trademarks each year	<b>10,000</b> Provide document research and copying for more than 10,000 citizens each year
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## 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 9,500 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.

## 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 Agency's continuing effort to promote business in Mississippi. This one-of-a-kind online resource for free Mississippi economic development information includes a mobile interface making it easier to access the site on a cell phone. The site provides a wealth of detailed information you need for your job and your business. More than 20,750 free business summary, retail market, and other reports have been downloaded from the site.

More than 5,600 business entities provided feedback for a survey conducted in January 2019, the fourth installment of a series of questionnaires sent to Mississippi businesses over the past two years related to workforce needs. Most Mississippi businesses have not connected with career and technical education (CTE) resources at the K-12 or community college levels, according to the survey of almost 100,000 domestic corporations, limited liability companies (LLCs), and limited partnerships (LPs). Among other responses, the survey shows:

- Almost 50 percent of businesses said the average age of their employees is 45 or older;
- More than 70 percent of businesses believe interpersonal skills are the greatest indicator of whether an employee will be successful;
- About 65 percent of businesses said they would considering hiring a trained applicant convicted of a nonviolent felony;
- About 45 percent of businesses do not provide incentives to employees; and
- About 35 percent of businesses said they find new employees through social networking.

Respondents also provided ideas on how the State Legislature can help small businesses prosper ranging from continuing to improve infrastructure to reducing burdensome regulations.

## 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

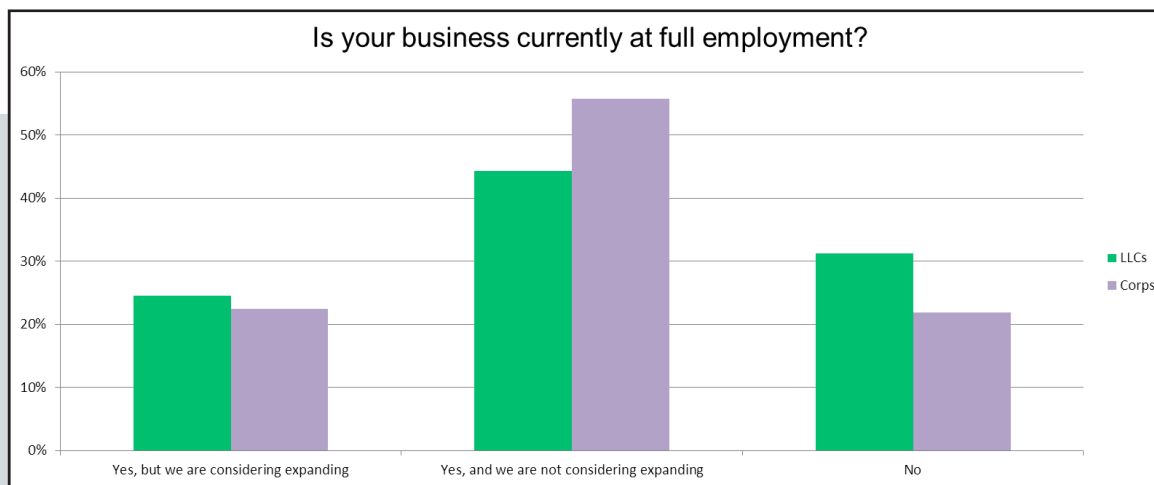
The Division is also responsible for a wide array of statutory responsibilities, including accepting service of process, recording pesticides, registering carnivals, circuses, polygraph examiners, and recording public official bonds.

## 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.



A second survey conducted in FY 2019 (June) revealed hundreds of Mississippi businesses are currently providing apprenticeship opportunities to students. The survey, sent to about 97,000 domestic business owners in the State, marks the fourth installment in a series of questionnaires related to workforce needs. More than 6,700 contacts from limited liability companies (LLCs), limited partnerships (LPs), and corporations responded.

Among other responses, the survey also showed:

- More than 70 percent of businesses have less than 5 percent “turn over” in staff each year;
- About 25 percent of businesses are at full employment and are considering expanding. Between 20 and 30 percent are not at full employment; and
- Most businesses are not using talent assessment tools to hire employees, but almost 15 percent said they would consider using one in the future.

# 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.**

**\$17,747,311**

Amount of revenue collected in offering-related filings, registration filings for securities professionals and firms, and administrative enforcement cases

**134,177**

Professional filings

**31,708**

Offering-related filings

**63**

Administrative enforcement cases

**40**

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

**65**

Conducted investigations, which included possible securities laws violations

**1,323**

Broker-dealer firms registered in the State

In addition to enforcing the Mississippi Securities Laws, the Securities Division is responsible for 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 40 state-based investment adviser firms registered with the Division (with another 46 out of state state-level registered with the Division and 961 SEC level firms that are notice-filed with the Division). In addition, there are 1,323 broker-dealer firms registered in the State (two are Mississippi-domiciled and 94 have branches within the State).

In FY 2019, the Division performed routine exams on 39 broker-dealer and investment adviser firms and conducted 37 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. The Division also completed 63 enforcement cases; 42 of those cases dealt with late notice filings of federal Regulation D Offerings. The Division ordered \$615,986 in fines and penalties and \$297,469 in restitution.

The Division accepts Regulation D notice filings electronically, which has enabled the Division to reduce the turnaround time for processing these filings. In FY 2019, the Division processed 127 paper filings and 436 electronic filings. The Division also processes mutual fund notice filings. In FY 2019, the Division handled 5,746 paper filings and 25,291 electronic filings.

During FY 2019, the Division collected \$10,630,100.38 in offering-related filings, \$7,074,100 in registration filings for securities professionals and firms, and \$583,256.32 in administrative enforcement cases. This revenue came from 134,177 professional filings, 31,708 offering-related filings, and 51 administrative enforcement cases, all of which were processed by the Division.

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

In July 2017, a new vulnerable adult statute took effect. Under Miss. Code Ann. § 75-71-413, broker-dealers and investment advisers must report suspected financial exploitation of a vulnerable adult to the Securities Division. Once the suspected exploitation is reported, the statute provides safe-harbor protection for the firms to delay transactions within accounts of the vulnerable adult. This is a needed protection while the Division and the Department of Human Services work together to investigate the allegation.

The Secretary of State's Office is focused on investor protection and in FY 2019, the Division worked 14 vulnerable adult cases.

# 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.

**10,700**

There are approximately 10,700 charities registered or exempted with the Charities Division

## FOR YOUR PROTECTION

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

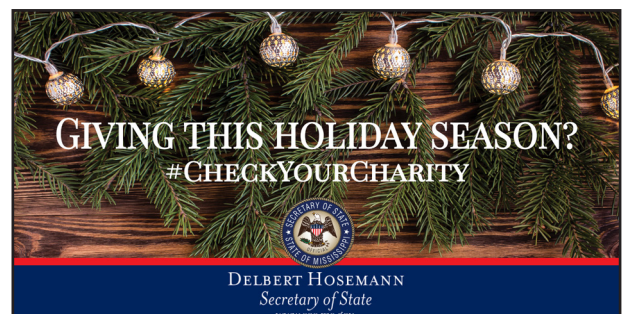
Armed with the most up-to-date Charities laws in the nation to protect Mississippians

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 2019, the Charities Division served as a resource to vet disaster relief charities after devastation caused by the tornado in Columbus and devastating flooding across various parts of the State. 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 continues to include training county and municipal election officials, providing elections-related 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.

**7,228**

Voter IDs issued as of  
June 30, 2019

**5,782**

Lobbying reports

**3,003**

Campaign finance  
reports

**782**

County and  
Municipal Election  
Officials trained

**1,271**

Poll Workers  
completed online  
training

**410**

Voter registration  
updated via secure  
online website

**945,467**

of the 1,849,085  
registered voters cast  
a ballot in the 2018  
General Election

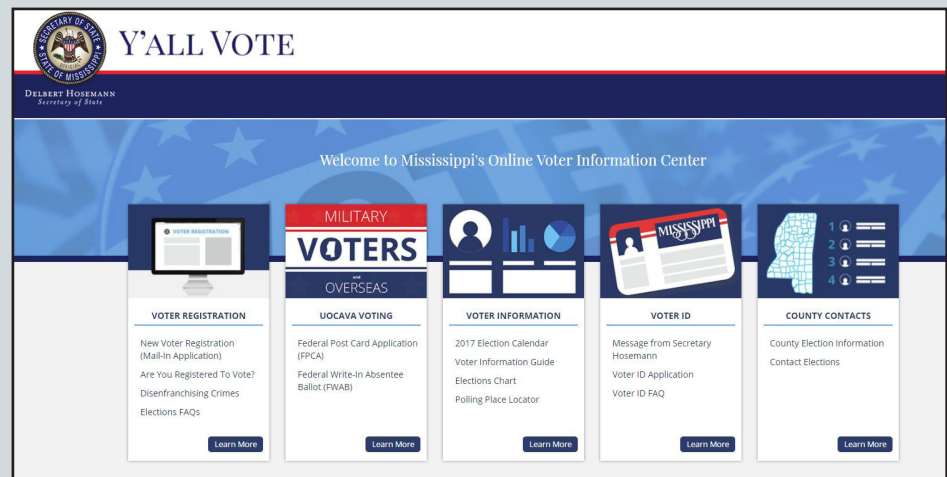
**16 observers**

Observed in 32  
counties in the 2018  
General Election

The Y'ALL VOTE website 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:

- Electronically update name and address information online
- Determine whether they are registered to vote
- Locate their polling place



## CAMPAIGN FINANCE

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

## 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 Secretary of State's Office is responsible for certifying Statewide elections and multi-county elections.

## SEMS

The Elections Division works with election officials of counties and municipalities to assist in maintaining 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.

# 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

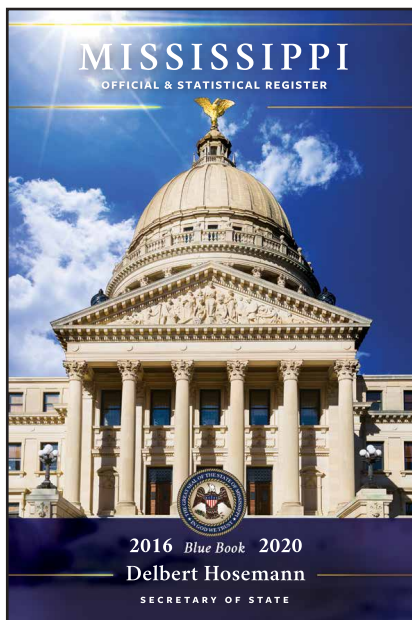
Mississippi  
Constitution

My Mississippi  
Coloring Book

Senate Journal

## ONLINE PUBLICATIONS

Digital versions of  
publications are online  
and regularly updated.



## 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.

### PROMOTE THE VOTE

The 2018 Promote the Vote theme, "Make a Difference in Mississippi," highlighted the importance of voting and encouraged students to be involved in their communities.

The art contest asked students to depict "Colors of My Community" by pretending they were an artist commissioned to draw a mural on a building in their hometown representing the place and people. The essay contest, called "We Have Business to Do!," called on entrants to choose one local industry and write an essay on how a business in that industry can provide community support by connecting with or supporting their school by using the Secretary of State's Y'all Business website.

The Agency had 67 participants in the art and essay contests who were awarded during a ceremony at the State Capitol in February 2019.

For the first time in PTV's decades-long history, Mississippi Public Broadcasting's (MPB) Education arm partnered with the Secretary of State's Office to encourage school, teacher, and student participation. MPB hosted a mock election precinct contest, and recognized schools and classrooms with festive election décor for their mock election. Two schools won prizes: Pearl Upper Elementary and Carthage Christian Academy.

Promote the Vote essay and art contest winners received \$100 (First Place), \$75 (Second Place), and \$50 (Third Place) provided by sponsor banks across the State, and free entry to the Mississippi Museum of History and Mississippi Civil Rights Museum. Teachers also received \$50 per winning entry to spend in their classrooms. Additionally, winning art entries were displayed in Jackson State University's Downtown Gallery from March to August.



Secretary Hosemann presented each student with a monetary award and certificate of achievement. Legislators, school officials, and local banks who donated the awards were on hand to congratulate their district winners. Secretary Hosemann also presented 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 100 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's Office 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.***

**13,098**

16th Section  
land leases

**\$43.3 million**

Revenues from 16th  
Section leases \*\*

**\$20.7 million**

Revenue from surface  
leasing

**\$7.78 million**

Sales of timber/forest  
products

**\$4.49 million**

Oil and gas royalty  
payments

*84 of 100 school districts reporting as of December 13, 2019.*

*\*\* All 16th Section land revenue stays with the local school district.*

In 2018, the Secretary of State's Office, as State Land Commissioner, accepted an initial deed to a portion of 17,816 acres of land in Warren and Issaquena Counties. The property forms an "L-shape" around the Mahannah Wildlife Management Area; the Steele Bayou Flood Control Structure is located adjacent to the property. The State initially acquired approximately 10,000 acres with The Nature Conservancy acquiring the rest.

In 2019, Secretary Hosemann accepted the second phase purchase from The Nature Conservancy of 2,246 acres.

The cost of the acquisition was paid through Federal Grant Money and private donations.

**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, approximately 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



*Secretary of State Delbert Hosemann, on behalf of the Gulf Coast legislative delegation, presented Mississippi Department of Marine Resources (MDMR) Executive Director Joe Spraggins with a check for \$11,740,00.00, representing the Tidelands Trust Fund amount turned back for Fiscal Year 2019.*

Revenue for the Tidelands Trust Fund is generated by leases on lands owned by the State in trust for the people of Mississippi, and assessment for on shore gaming operations. Generated funds are disbursed to MDMR to be spent by the legislature for programs and projects geared toward conservation, reclamation, and preservation of Mississippi's tidelands, and the increase of public access areas on the Mississippi Gulf Coast.

# 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's Office pursuant to applicable statutes. The Secretary of State's Office 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.**

The screenshot displays the 'TAX FORFEITED LAND SEARCH' web application. On the left, a 'County' dropdown menu lists 31 Alabama counties, with 'Select A County' at the top. The main search area is divided into three sections: 'Property Address' with fields for Address Line 1, Address Line 2, City, and Subdivision; 'Property Information' with fields for Parcel Number, PPIN, Market Value Range (\$), Assessed Owner, and Legal Description; and 'Property Location' with fields for Section, Township, and Range, along with radio buttons for North/South and East/West. Search criteria are set to 'Contains' and 'Exact'. At the bottom are 'Search', 'Clear', and 'Current Auctions' buttons. A 'Log In' button is in the top right, and a 'Tax Forfeited Inventory Download' button is in the bottom left.

## ONLINE AUCTIONS

Online bidding on tax forfeited property auctions is available on 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.

The "Buy It Now" feature allows 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 2019 AUCTIONS

Jackson County

*Began June 27, 2018 and closed July 25, 2018*

Jones County

*Began October 3, 2018 and closed October 31, 2018*

Madison County

*Began November 7, 2018 and closed December 5, 2018*

Bolivar County

*Began February 20, 2019 and closed March 20, 2019*

City of Jackson

*Began April 3, 2019 and closed May 1, 2019*

Warren County

*Began May 15, 2019 and closed June 12, 2019*

FY 2019 property  
sales total more than

**\$2 million**

Held **six** 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.



*Organizations throughout Jackson are partnering with our office to eliminate blight. New Horizon Church and Bishop Ronnie Crudup have purchased more than 150 tax-forfeited parcels. Ten homes have been remodeled by the church so far, including this one off Daniel Lake Boulevard across from the Jackson Boys & Girls Club, and six have new homeowners.*

# 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.*

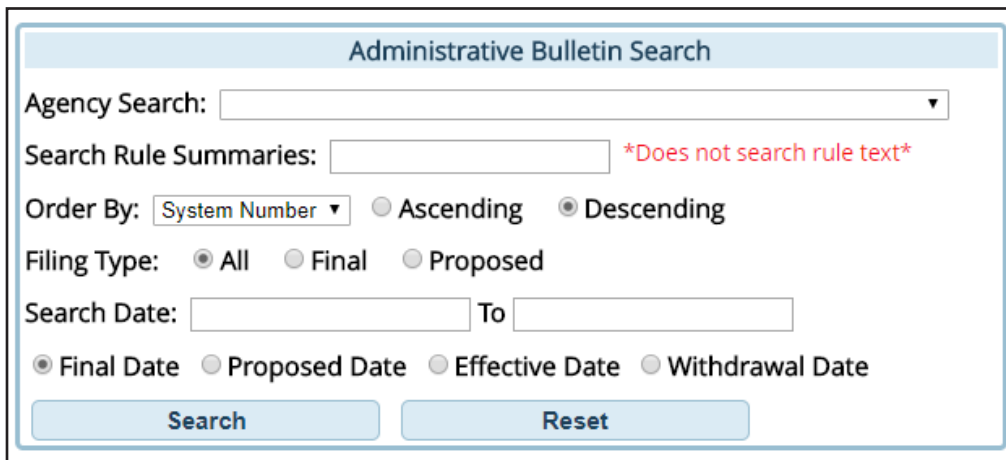
## PROTECTING CONSUMERS - PRE-NEED AND CEMETERY PURCHASES

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 the consumer's funding for pre-need purchases is secure and in place at the time of death and 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 2019, the Division entered into a consent order with a northeast Mississippi funeral home, requiring that they cease and desist. The funeral home was fined \$10,000 for substituting funeral and cemetery goods and services that were of inferior quality or different in kind from the goods and services purchased by consumers on a pre-need basis.

## 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 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 more than **1,000** regulation changes.



The image shows a web form titled "Administrative Bulletin Search". It includes a dropdown menu for "Agency Search", a text input for "Search Rule Summaries" with a red note "\*Does not search rule text\*", and radio buttons for "Order By" (System Number, Ascending, Descending) with "Descending" selected. There are also radio buttons for "Filing Type" (All, Final, Proposed) with "All" selected. A date range selector for "Search Date" is present, with radio buttons for "Final Date", "Proposed Date", "Effective Date", and "Withdrawal Date" below it. At the bottom are "Search" and "Reset" buttons.

## ATHLETE AGENTS

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.

## SCRAP METAL DEALERS

In 2008, the Mississippi Legislature tasked the Secretary of State's Office with licensing metal dealers in response to the rampant problem of metal theft throughout the country. All scrap metal dealers who wish to purchase regulated metals must register with the Division and upload information and pictures of all regulated metals purchases to an online database. Division examiners and all law enforcement have access to this database to search for stolen metal property. In connection, the Secretary of State's Office, in partnership with the Mississippi Department of Agriculture, law enforcement, farming interests, and metal dealers created the Mississippi Ag Theft Task Force to address the unique challenges of deterring and solving metal theft crimes in Mississippi's agricultural sector.

# POLICY AND RESEARCH

**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's Office 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 1375** *(effective July 1, 2019)*

Revises the procedures that regulate administration of wills and estates. This bill enacts, amends, and repeals various sections of Title 91, Chapter 7 of the Mississippi Code of 1972, as it relates to an accounting, inventories, appraisers, certain fiduciary powers, abatement, and affidavit of successor.

## **HOUSE BILL 1477** *(effective July 1, 2019)*

Authorizes counties and municipalities to expend funds to maintain abandoned nonprofit cemeteries. This bill amends Sections 19-7-39 and 21-37-21, Mississippi Code of 1972, by authorizing counties and municipalities, in their discretion, to expend funds for the maintenance and repair of abandoned public and private nonprofit cemeteries.

## **HOUSE BILL 807** *(effective July 1, 2019)*

Extend repealer on statute prohibiting corporations and nonresident aliens from purchasing public lands. This bill amends Section 29-1-75, Mississippi Code of 1972, to extend the date of the repealer to July 1, 2022, on the restrictions imposed on the purchase of public lands by certain corporations and nonresident aliens. Section 1(2)(b) states that any other nonbanking corporation may purchase lands sold or forfeited to the state for delinquent taxes under any section of Chapter 1, Title 29, specifically relating to the sale of such tax-forfeited lands by the Secretary of State.

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Campaign Finance  
(601) 359-1358

Cemeteries  
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Charity Lookup  
(601) 359-1371

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

Elections Hotline  
(800) 829-6786

General Laws  
(601) 359-6344

Governor's Commissions  
(601) 359-6344

Lobbying  
(601) 359-9412

Public Records Request  
(601) 359-1350

Scrap Metal  
(601) 359-6361

Securities Investigations  
(601) 359-1363

State Flag Requests  
(601) 359-6339

Tax Forfeited Land  
(601) 359-1557

Tidelands  
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# DELBERT HOSEMAN

*Secretary of State*

## Secretary of State's Office - FY 2019 Annual Report

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