

Office of the Secretary of the State



At a Glance

DENISE MERRILL, *Secretary of the State*

James Spallone, *Deputy Secretary of the State*

Established - 1639

Statutory authority - CGS Sec. 3-77ff State Constitution

Central office - 30 Trinity Street,

Hartford, CT 06106

Number of employees - General Fund:

88 permanent full-time

Recurring operating expenses:

General Fund: \$6,925,961 (FY 2011)

Revenue deposited -

General Fund: \$37,717,993 to date (Since 7/1/10)

Organizational structure – CRD Automation and Quality Improvement (Diane Steir, Manager); Commercial Recording Division (Seth Klaskin, Manager); Legislation and Elections Administration Division (Peggy Reeves, Executive Assistant); Management and Support Services Division (Blanche Reeves-Tucker, Fiscal Administrative Manager); Human Resources (Gloria Sparveri, Manager); State Board of Accountancy (Manager Vacant); Information Technology (Terrance Babcock, Manager).

Mission

Through the commitment of a knowledgeable staff and advanced technology, the Office of the Secretary of the State works as a team to provide a wide range of services for the people and businesses of Connecticut.

We are a repository of records for the state, and provide important information and resources regarding business and commercial filings, elections, and authentication as prescribed by the constitution, and federal and state laws.

We seek to support business development opportunities, and foster a more inclusive political process by educating, informing and engaging communities in youth and civic participation.

Vision

Our vision is to be the leader in providing prompt quality service, increasing access to information, and promoting participation in the democratic process.

Statutory Responsibility

The Secretary of the State is designated by the Constitution and General Statutes of Connecticut as the official keeper of a wide array of public records and documents. The office is a vital source of information regarding various businesses, commercial lenders, elections, legislation, regulations and other areas, and responds to more than 600,000 requests for information annually. It also publishes, distributes and sells the State Register and Manual and other publications.

Connecticut law makes the Secretary of the State responsible for the administration of many aspects of business law including the approval of all certificates of incorporation, organization and dissolution, as well as annual and biennial reports. Trademarks are registered here as well.

As Commissioner of Elections for the State of Connecticut, the Secretary is charged to administer, interpret and implement election laws and ensure fair and impartial elections. Under the terms of the National Voter Registration Act of 1993, the Secretary has the same responsibility for federal elections.

Affirmative Action

The Office of the Secretary of the State is firmly committed to a personnel management program designed to ensure equal opportunity for all employees and applicants for employment without regard to race, color, religion, age, sex, marital status, national origin, ancestry, mental retardation, physical disability, prior convictions of a crime, sexual preference, past or present history of mental disorder or political affiliation. The elimination of sexual harassment and Workplace Violence is also an important element of the agency's comprehensive affirmative action program. The agency established a multi-cultural advisory committee in 2003 to assist in affirmative action/cultural issues.

Public Service

The office serves the public through five divisions:

- *Commercial Recording Division (CRD)* files and maintains legally required records showing the formation of and fundamental changes to corporations, limited liability companies, limited liability partnerships, limited partnerships and other businesses. The Commercial Recording Division (CRD) disseminates that information to the general public and the business, banking and legal communities. Transactions relevant to security interests in personal property are perfected by filing statements under the Uniform Commercial Code statutes with the Research and

Response unit. These filings protect the holder of the security interest by securing the lien and providing public notice that such interest exists. Trade, service, collective, certification and device marks are granted registration and the division investigates and collects fees and penalties from foreign corporations doing business in Connecticut without authority. CRD offers real time access to corporate and UCC (Uniform Commercial Code) documents via the Internet. Anyone who has access to the Internet can go to the Secretary of the State's website and then to CRD's database called "CONCORD". You may obtain names and addresses of corporate officers and directors, business addresses and a listing of all filings made for that business. Our Public Service Area is open for customers from 8:30 a.m.- 4:00 p.m. These expanded hours have given the business community more time during the business day to submit requests and file documents. The division is responsible for administering the Address Confidentiality Program (ACP), which provides services to victims of crime.

- ***Legislation and Elections Administration Division (LEAD)*** administers, interprets and implements all state and federal laws pertaining to elections, primaries, nominating procedures, and the acquisition and exercise of voting rights. The Division encourages and monitors the implementation of the National Voter Registration Act and other voter registration efforts in Connecticut. In conjunction with local Town Clerks and Registrars of Voters, the division provides training for local elected officials. The division, working with local officials, has put into operation a statewide-computerized voter registry system, which complies with the Help America Vote Act.

In addition the division is the official keeper of all acts, orders, grants and resolutions of the General Assembly, receives and maintains legislation, regulations and a wide range of other public documents as required by statute, administers Connecticut's notary public program, and updates information on state, local, and federal government on a weekly basis.

- ***Information Technology*** is responsible for the administration, support, development and maintenance of all computer systems and related applications within the agency. It also provides support to the Centralized Voter Registration system, CONCORD (Connecticut Online Commercial Recording Database), Agency website and all E-Government initiatives within the agency.
- ***Management and Support Services*** supports the office in the areas of human resources, affirmative action, fiscal administration, business, revenue depositing, purchasing, data processing and other support services. It also publishes, distributes and serves as the sales agent for the

Connecticut State Register and Manual (the “Blue Book”) and other agency publications.

- ***The State Board of Accountancy*** protects the users of services rendered by Connecticut licensed accountants by regulating the authorized practice of public accountancy by certified public accountants (CPA) and public accountants as well as the unauthorized practice of public accountancy by unlicensed individuals and firms. The State Board of Accountancy (SBOA) was a stand-alone agency until July 1, 2011 when it was moved into the Secretary of the State’s office through a budgetary consolidation.

The board consists of nine individuals appointed by the Governor of Connecticut pursuant to Connecticut General Statutes 20-280 and carries a full staff of five people, including a manager, unit supervisor, staff attorney, processing technician, and an office assistant. The board has been working closely over the last year with the Department of Administrative Services Bureau of Enterprise Systems and Technology and the Department of Consumer Protection to join the State’s enterprise wide e-licensing system.

In addition, the Office of the Secretary of the State administers a wide range of programs and services for Connecticut’s voters, citizens, and businesses. These include:

- **Election Performance Task Force** – Election Day problems in Connecticut on November 2, 2010 when the results for Governor were delayed due to an insufficient number of ballots being ordered for the city of Bridgeport exposed several deficiencies in how Elections are conducted. There are also improvements and modernizations to elections in Connecticut that need to be explored and recommendations made for reforms that need to be made. The Election Performance Task Force was convened by the Secretary of the State following the conclusion of the 2011 legislative session of the Connecticut General Assembly, and conducts bi-monthly meetings. The membership of the task force includes many important stakeholders to elections including: voting rights advocates, election administrators, Registrars of Voters, Town Clerks, Academics, and others.

The purpose of the task force is to review and evaluate our election system in order to ensure that elections in Connecticut are fair, accountable, efficient, cost-effective, and work to encourage broad-based voter participation. Its goal is to examine Connecticut’s current electoral system and evaluate what works well, and what are its weak points; Identify measures that will increase efficiency and effectiveness of the voting process while maintaining its security and integrity; Provide future direction for our electoral process: given demographic and other trends, what should our system look like in 5-10 years; Evaluate ways to integrate technology into our election systems, including examining what technology is in use in other states, and find out what

technology offers the greatest value-added to election administrators and the experience of voters. The task force will also find ways to increase voter participation among ethnic minority groups and young people and explore public policies in other areas that are working to achieve this goal. The task force has working subcommittees looking into the issues of improving voters experience, improving voter participation among under performing groups, and improving the post-election process.

As a whole, the task force has explored the ideas of online voter registration, non-precinct place voting, data collection to measure election performance, and held a televised panel discussion at Central Connecticut State University to explore the idea of online voting. All meetings are open to the public and televised on The Connecticut Network, with video being available online on-demand. The public is encouraged to submit feedback and ideas to the task force via email

- **Civic Health Initiative** – For the first time, the Secretary of the State’s office is partnering with national partners Every Day Democracy and the National Conference on Citizenship (NCoC) to convene an advisory group focused on Connecticut’s Civic Health. The primary task of this initiative is to gauge how connected Connecticut’s citizens feel to each other and to their communities and design public policy solutions to strengthen each person in Connecticut’s sense of citizenship. The advisory group is a diverse panel of stakeholders representing community, volunteer and civic organizations as well as institutions of higher learning, religious and business groups.

In October of 2011, the Civic Health Advisory Group released the first-of-its-kind 2011 Connecticut Civic Health Index, which used data provided by the U.S. Census Bureau and analyzed by the Center for Information & Research on Civic Learning and Engagement (CIRCLE) to gauge statistics on a wide range of indicators of civic health including but not limited to: volunteering, voter turnout, voter registration, belonging to groups, social connectedness through the internet, donating to charities, and taking a leadership role in the community.

The goal of the Civic Health Advisory Group is to study the indicators produced by the 2011 Connecticut Civic Health Index numbers and design public policy solutions to build on the strengths shown in Connecticut and address some of this state’s shortcomings. Ultimately, it is the hope of the Civic Health Project Advisory Group to lead the way towards enhancing connectedness and higher civic participation in all of Connecticut’s diverse communities. The Civic Health Advisory group has sponsored a series of conversations throughout Connecticut including public town meetings that have been broadcast live on television, and has made the 2011 Connecticut Civic Health Index Report available to the public online.

- **The Address Confidentiality Program (ACP)** – The ACP program became effective on January 1, 2004. Program participants are residents of the State of Connecticut who have recently relocated and whose new location is unknown to the abuser and undocumented in government records. The goal of the ACP is to help crime victims (family violence, sexual assault, injury or risk of injury to a minor, or stalking) keep their new address confidential. The Address Confidentiality Program offers its participants two services, each of which helps keep the victim’s new location private. One component is the participant’s use of an ACP substitute mailing address. The ACP provides cost-free mail forwarding services. The Office of the Secretary of the State serves as each program participant’s legal agent for service of process and receipt of first class mail. The second component of the program prevents public access to a participant’s actual address on government records including voter registry lists and keeps marriage records confidential.
- **Business Initiatives** – The Secretary of the State’s business initiatives include partnering with the U.S. Department of Commerce, the U.S. General Services Administration, the Connecticut Business and Industry Association, the U.S. Small Business Administration, the Connecticut Small Business Development Center, as well as corporate partners such as Google to sponsor multiple events for hundreds of businesses in Connecticut all focused on opening up new channels of business through exports, launching websites, becoming federal contract vendors, and other initiatives. The Secretary of the State was able to communicate directly via email more than 100,000 Connecticut businesses all registered with the Secretary of the State’s office to inform them of these very useful and informative events which if followed through successfully can lead to increased revenue, higher profits, and new jobs created. Events publicized by the Secretary of the State’s office include: Google Get your Business online, Poland Export Day, 365 to Export, and the federal contractor Matchmaker event. In several instances the events publicized by the Secretary of the State’s office saw record turnout, where many networking connections were made that will hopefully lead to future business deals.
- **Records Management** - The Records and Archiving Unit supports the Secretary’s constitutional duty to “have the safe keeping and custody of the public records and documents” by providing records management, archives and library services to the Office of the Secretary of the State. It also serves as the office’s liaison to the Public Records Administrator, as required by law. It maintains the Office library; administers on and off-site storage of, and access to, the wide variety of records filed with and generated by the Office; researches, prepares and implements record retention schedules for the Office; creates microfilm and digital copies of records (more than 569,800 images in fiscal year 2010/2011); responds to hundreds of annual staff and public reference requests; and creates indexes and guides to Office record series to facilitate staff and public access to information. In addition, the Unit provides

indexing, access and preservation services for the original bills, acts and resolutions of the General Assembly, state agency regulations, and various special documents filed with the Office by state law.

Improvements/Achievements 2010-11

- **Enacting Changes to State Election Laws** – 2011 was a very productive year for passing legislation sponsored or favored by the Secretary of the State’s office. There was immediately recognized a need to make some key election reforms, as well as convince the Connecticut General Assembly to move some long-stalled pieces of legislation enacting technical changes to Connecticut’s Election laws. After Election Day problems relating to an insufficient number of ballots in the city of Bridgeport, Secretary Merrill sought to tighten up election laws in order to prevent a scenario from ever recurring in Connecticut where registered voters who want to cast ballots on Election Day are turned away from the polls. Secretary Merrill proposed Senate Bill No. 942, “*An Act Concerning the Integrity of Elections*” which passed with near unanimous legislative approval and was signed into law by Governor Dannel P. Malloy. It requires municipalities to adopt emergency plans for Election Day; requires municipalities to report to Secretary of the State’s office the number of ballots ordered for each upcoming election, based on a review of prior turnout and other factors; allows the Secretary of the State’s Office to direct municipalities to order more ballots if in sufficient number purchased for an election; requires municipalities that fail to report to the Secretary of the State’s Office the number of ballots purchased to order enough ballots for 100% of registered voters; provides for improved and enhanced training of moderators at the polls; requires cities and towns to report lists of polling places and moderators to Secretary of the State before each election; authorizes Secretary of the State or designated representative to enter polling locations on Election Day, and authorizes Secretary of the State to remove a moderator for cause.

Other election reform bills enacted through advocacy by Secretary Merrill include Senate Bill 939 “*An Act Concerning Certain Revisions to Election Related Statutes*”, which made needed technical changes to Connecticut election laws to bring laws up to date with the use of optical scan technology, and allows for ongoing absentee ballot status for permanently disabled persons. Also enacted was House Bill 6330, “*An Act Concerning Technical and Minor Changes to Election Related Statutes*” which removes all references in Connecticut state laws to lever voting machines, that have not been used since 2006.

- **Mandatory Online Filing of Business Annual Reports** – After two years of unsuccessful attempts by the previous administration, Secretary Merrill was finally able to help enact passage of House Bill No. 6565, “*An Act Concerning Business Entity Filings*” that requires businesses registered in the State of

Connecticut, with some exceptions, to file their annual reports with the Secretary of the State's office online instead of filling out paper documents and sending them by mail starting on January 1, 2012. A major step towards modernizing the workings of the Secretary of the State's office, it is estimated that this law will save taxpayers hundreds of thousands of dollars annually, streamline and improve customer service, and eliminate the use of at least two tons of paper processed by the Secretary of the State's office every year. The law also requires businesses that register with the state to provide an email address to the Secretary of the State's office for notifications of when annual reports are due.

There are several waiver provisions to mandatory online filing that would create exemptions for customers that do not have capability to file electronically (no access to a computer), do not have the ability to pay online using an acceptable form of payment, or for other good cause. The online filing system bypasses the cumbersome and tedious steps of reviewing the paper files of the annual reports since businesses will know instantaneously if their report had sufficient information to be processed. Any filings lacking requisite information will instantly be rejected and the businesses or non-profits will be told what data is lacking. In addition, those filings accepted by the online process will be directly printed to microfilm and entered into the online CONCORD database of more than 340,000 Connecticut businesses and non-profits registered with the state. Secretary of the State Merrill estimates this will save a significant amount of time spent every year by staff reviewing and processing the reports, and converting them to microfilm.

- **E-Business Portal/Business Data Collection Center** – In seeking to expand the public information role of the Secretary of the State's Office, Secretary Merrill successfully led the way towards passing legislation establishing the E-Business portal and Business Data Collection Center at the Secretary of the State's office. This law requires the Commercial Recording Division in the Secretary of the State's office to establish an online portal for new businesses linking to various state and federal departments or agencies where additional licenses or permits may be required. It also requires links to identify state taxes and other revenue responsibilities and benefits, and provide information on relevant state financial incentives and programs for businesses. The portal will also serve as a much needed data center regarding Connecticut businesses and the economy that can be provided to those studying economic development or business trends, and will be available to the public.
- **\$5,000,000 in Bonding passed for needed technological upgrades to Secretary of the State's office infrastructure** – Secretary of the State Merrill also fought for and won passage of \$5,000,000 in state bonding to significantly upgrade technological infrastructure used to manage the CONCORD business database as well as the Centralized Voter Registry, Notary Public and Extradition databases, and make major improvements to the reporting of election results.

- **Awarding of more than \$2,000,000 in Federal HAVA funds for improving voting technology** – Under Secretary Merrill’s leadership, Connecticut successfully won federal grants totaling more than \$2,000,000 from the U.S. Election Assistance Commission, a federal body established as a result of the 2002 Help America Vote Act (HAVA). The federal grants were attained through Secretary Merrill committing a state match of more than \$105,000 and were awarded through federal HAVA funds available to states. The new funds can be used for a variety of functions used to enhance voting technology, such as maintaining or enhancing Connecticut’s optical scan voting machines, testing or investing in new voting systems for disabled voters, and making improvements to the state Centralized Voter Registration database.
- **Awarding of \$230,000 federal EAC grant to improve/automate post-election audit process** – Under Secretary Merrill’s leadership, Connecticut was one of only four states to win a grant of \$230,000 from the U.S. Election Assistance Commission, a federal body established as a result of the Help America Vote Act of 2002. The federal grants were awarded to states that presented proposals to improve the pre- and post-election testing of electronic voting machines and auditing of machine counts to ensure the integrity of election results. The other states to win full grants were California, Colorado, and New York. Connecticut won a full federal grant of \$230,000 for a proposed partnership with the University of Connecticut Voting Technology Research (VOTER) Center to develop software designed to establish an automation process for post election audits that will save municipalities time and money if their polling places are selected for a post election count of the optical scan machines. Automation of the post-election audit process will also improve the reliability and accuracy of this vital check and balance to the machine counts on Election Day.

The grant award will also fund research and development of testing protocols to extend battery life of the optical scanners used in Connecticut elections and thereby reduce the prevalence of so-called “junk data” found on memory cards programmed for each election. Junk data can render memory cards unusable for an election and create logistical problems for local election officials, as well as increase security risks related to the integrity of the ballot counts on Election Day.

- **Illegal Business Investigations** - Secretary of the State Denise Merrill and Attorney General George Jepsen conducted a year-long crackdown on out-of-state companies doing business illegally in Connecticut. The joint effort recovered \$1,300,000 in FY 2010/2011 from over 330 out-of-state companies.

The requirement to obtain authority to do business exists to protect domestic entities from unfair competition and place domestic and foreign firms on an equal footing. The law also protects consumers with a grievance against an out-of-state business, by specifying where and what manner the company can be served with legal papers.

The Secretary of the State and Attorney General launched their aggressive enforcement efforts in 2007, pursuing hundreds of delinquent out-of-state businesses and threatening legal action. To the businesses' credit, no legal action has been required and cases have been closed for all 330 companies that were fined. Fines and penalties collected from each business range from \$40 to more than \$49,000. The collections total for fiscal years 2007-2011 is more than \$6.4 million.