



BUSINESS SERVICES DIVISION

OFFICE OF THE SECRETARY OF THE STATE

Our role in registering and maintaining information about
businesses operating in Connecticut



WHO WE ARE AND WHAT WE DO

- Officially named the “Commercial Recording Division”—operating under a name that better describes what we do.
- **Maintain the record** of birth, major lifetime events and dissolution of **business entities, including the registration of foreign entities** seeking authority to transact business in Connecticut.
- **Maintain the public record** of the **Uniform Commercial Code**
- **Gateway Agency**—Often the **first point of contact** with the State of Connecticut

Entities include:

- **Business Corporations**
- **Nonstock Corporations**
- **LLC’s • LP’s**
 - **LLP’s**
- **Statutory Trusts**

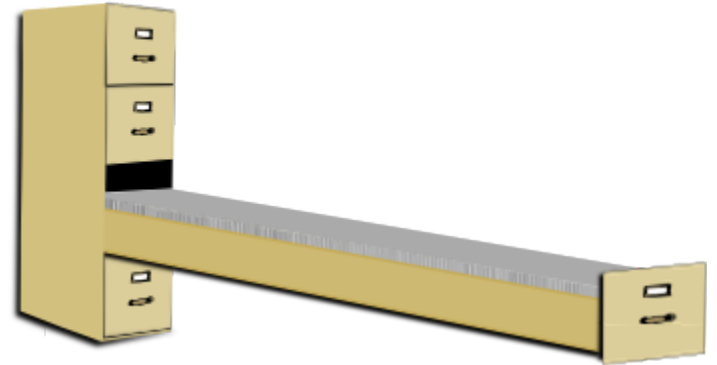
High Volume Filing Office

- Approx. 750K filings/year
- >\$30 million annual revenue in filing fees
- Approx. 300K active entities



STATUTORILY PRESCRIBED OPERATIONAL ENVIRONMENT

- Ministerial Role
- Prescriptive Statutes—little discretion
- Ministerial Standard of Review



“If a form is properly completed with data in all the required fields, and if the fee is paid, we **MUST file the document.”**

- Judicial Order required to remove document from record
- Statutes establish criminal code violations for fraudulent/harassment filings
- Statutes provide civil recourse for harmed parties





A RECORD OF POSITIVE PARTNERSHIPS TO IMPROVE LAWS AND SERVICES

The BSD partners actively and regularly with many agencies and organizations, including:

Legal Advisory
Committees to
Law Revision
Committee

Nat'l Assn. of
Secretaries of
State*

Dept. of
Economic &
Community
Development

Int'l Assn. of
Commercial
Administrators*

CT
Economic
Resource
Center

CT
Business
Expo

CT
General
Assembly

Dept.
of
Labor

Office of
the
Governor

Small
Business
Development
Center

ReSet
Social
Enterprise
Trust

U.S. Dept.
of
Commerce

CT Data
Collaborative

Dept. of
Revenue
Services

CT Bar
Association
Business
Law Section
Executive
Committee

Chambers
of
Commerce

* Participation ensures that the BSD develops best practices and operates efficiently.



THE BSD—HARNESSING MODERN TECHNOLOGIES TO DRIVE EFFICIENCY AND CONVENIENCE

➤ Mandatory Online Filing of Annual Reports

- 98% Adoption Rate
- Agency has overcome historic backlogs
- Agency has absorbed 29% staffing reductions through attrition
- Agency can handle increasing volumes of work with stable workforce

Transformative

Welcome to the **Business Startup Tool**

The **Business Startup Tool** will help you to get your business started in Connecticut on the right footing, using an online tool that leads you easily through all the steps.

If you operate an existing foreign entity that is formed under the laws of another jurisdiction, you can also use the **Business Startup Tool** to register your Certificate of Authority. The **Business Startup Tool** is brought to you by Secretary of the State Denise W. Merrill.

Connecticut... your business starts here!
Secretary of State Denise Merrill



Award-winning
Online
Business
Startup Tool





THE BSD—HARNESSING MODERN TECHNOLOGIES TO DRIVE EFFICIENCY AND CONVENIENCE

- An unprecedented level of new online filing options
 - Frontloaded the automation of the most popular filings and services, including Certificates of Legal Existence
 - All UCC filings are now automated—80%+ online filing rate
 - Many more online services to come, including online business formation and registration
- Agency has met many significant law changes with timely automation responses
 - Benefit Corporation Act—Database tracks benefit status of domestic corporations
 - CETA—Connecticut Entity Transaction Act—a business-friendly law
 - UCC Revised Article 9
 - Amendments to the CBCA (CT Business Corporation Act)





CHALLENGES FACING THE BSD (RELATIVE TO THE COMMISSION'S WORK)

- All challenges are resource-based
 - Transitioning from heavy volume paper filing office to a largely automated filing office with heavy phone traffic and assisting customers with online filing navigational issues
 - Need to update our staffing model over time to meet the new mission
 - Call center; multi-task
 - More complex legal filings (CETA)—Will need additional attorney and para-professional positions

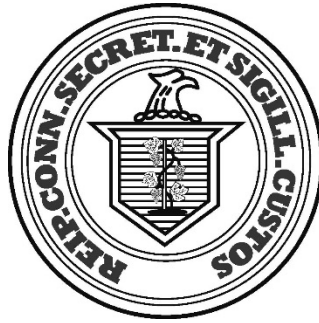




CHALLENGES FACING THE BSD (RELATIVE TO THE COMMISSION'S WORK)

- Development of the Online Business App (CONCORD) lagged due to inconsistent funding in past
 - Some IT funding in 2011 helped
 - Will need funding to grow system to match DE
- BSD's automation and online functions are constrained by the interface with state-wide IT infrastructure
 - May require upgrade in server capacity to match DE's system in terms of processing speed and service.
- **Competing with Delaware requires commitment of resources on par with that state.**





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Questions?

Thank you for your time and attention.