

MEMO# 3785

May 15, 1992

WYOMING LEGISLATURE ADJOURNS WITHOUT PASSING INVESTMENT COMPANY FEE LEGISLATION

May 15, 1992 TO: STATE SECURITIES MEMBERS NO. 24-92 UNIT INVESTMENT TRUST
MEMBERS NO. 31-92 RE: WYOMING LEGISLATURE ADJOURNS WITHOUT PASSING
INVESTMENT COMPANY FEE LEGISLATION

As you know, several states have adopted fee increases for the registration of securities as a means of raising additional revenue to alleviate budget shortfalls. This year, the Secretary of State in Wyoming supported a bill which would have required payment of a \$100 fee to claim the exemption from registration for mutual funds and unit trusts. We are pleased to inform you the fee legislation was not enacted by the Wyoming Legislature. During the regular session, both houses failed to consider and/or pass the legislation. However, a one-week special session was called immediately after the expiration of the regular session. The legislation passed in the House and it had gone through a second reading in the Senate before the special session adjourned. This is the fourth time the Wyoming Legislature has considered the issue of regulation and fees of investment companies. Twice they have considered whether regulation of investment companies by the Secretary of State is necessary and have determined that no regulation is needed (1985, 1988); and four times they have considered whether a fee should be collected from investment companies and have determined that collection of a fee is inappropriate (1985, 1988, 1989 and 1992). Given the persistency of the Secretary of State, it is likely that a similar measure will be introduced for consideration next year. We will keep you advised of developments. Patricia Louie Assistant General Counsel