

# **WEST VIRGINIA LEGISLATURE**

## **2017 REGULAR SESSION**

**Introduced**

### **House Bill 2971**

BY DELEGATES COWLES, KELLY, ZATEZALO AND BOGGS

[ Introduced March 13, 2017; Referred  
to the Committee on Political Subdivisions then  
Government Organization.]

1 A BILL to amend and reenact §7-12-12 of the Code of West Virginia, 1931, as amended, relating  
 2 to granting the State Auditor the authority to audit the books and records of local economic  
 3 development authorities; and permitting, in the alternative, the authority to be audited by  
 4 an independent Certified Public Accountant with copies forwarded to the county  
 5 commission and the Auditor.

*Be it enacted by the Legislature of West Virginia:*

1 That §7-12-12 of the Code of West Virginia, 1931, as amended, be amended and  
 2 reenacted to read as follows:

**ARTICLE 12. COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES.**

**§7-12-12. Contributions by county commissions, municipalities and others; funds and  
 accounts; reports; audit ~~and examination~~ of books, records and accounts.**

1 Contributions may be made to the authority from time to time by the county commission  
 2 of the county or any municipal corporation therein, and by any persons, firms or corporations  
 3 which shall desire to do so. All such funds and all other funds received by the authority shall be  
 4 deposited in such bank or banks as the authority may direct and shall be withdrawn therefrom in  
 5 such manner as the authority may direct. The authority shall keep strict account of all its receipts  
 6 and expenditures and shall each quarter make a quarterly report to the county commission and  
 7 municipalities containing an itemized statement of its receipts and disbursements during the  
 8 preceding quarter. Within sixty days after the end of each fiscal year, the authority shall make an  
 9 annual report containing an itemized statement of its receipts and disbursements for the  
 10 preceding year, and such annual report shall be published as a Class I legal advertisement in  
 11 compliance with the provisions of article three, chapter fifty-nine of this code, and the publication  
 12 area for such publication shall be the county in which the development authority is located. The  
 13 books, records and accounts of the authority shall be subject to audit ~~and examination~~ by the  
 14 office of the ~~State Tax Commissioner of West Virginia and by any other proper public official or~~  
 15 ~~body in the manner provided by law~~ State Auditor: *Provided*, That in lieu of having its books,

16 records and accounts audited by the office of the State Auditor, the authority may elect to have  
17 its books, records and accounts audited annually by an independent Certified Public Accountant  
18 or firm, which annual audit is hereby found, declared and determined to be sufficient to satisfy the  
19 requirements of article nine, chapter six of this code pertaining to annual audit reports. A copy of  
20 the annual audit shall be forwarded within thirty days of receipt to the county commission and to  
21 the State Auditor.

NOTE: The purpose of this bill is to. grant the State Auditor the authority to audit the books and records of local economic development authorities. The bill permits, in the alternative, the authority to be audited by an independent certified public accountant with copies forwarded to the county commission and the auditor.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.