

# **WEST VIRGINIA LEGISLATURE**

## **2019 REGULAR SESSION**

**Introduced**

### **House Bill 2773**

BY DELEGATES COWLES AND J. KELLY

[Introduced January 30, 2019; 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:*

**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 4 deposited in such bank or banks as the authority may direct and shall be withdrawn therefrom in  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 60 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 §59-3-1 et seq. of this code, and the publication area for ~~such~~  
 12 the publication shall be the county in which the development authority is located. The books,  
 13 records and accounts of the authority shall be subject to audit ~~and examination~~ by the office of  
 14 ~~the State Tax Commissioner of West Virginia and by any other proper public official or body in~~  
 15 ~~the manner provided by law~~ State Auditor: *Provided*, That in lieu of having its books, records and  
 16 accounts audited by the office of the State Auditor, the authority may elect to have its books,  
 17 records and accounts audited annually by an independent Certified Public Accountant or firm,

18 which annual audit is hereby found, declared and determined to be sufficient to satisfy the  
19 requirements of §6-9-1 et seq. of this code pertaining to annual audit reports. A copy of the annual  
20 audit shall be forwarded within 30 days of receipt to the county commission and to the State  
21 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.