

H. B. 2182

(By Delegate Shott)

[Introduced January 21, 2015; referred to the
Committee on Government Organization then Finance.]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §6-9-13, relating to examination of Potomac Highlands Airport Authority accounts by Chief Inspector and Tax Commissioner; authorizing Legislative Auditor to conduct performance and financial audits of the authority; requiring authority to cooperate; prohibiting the processing of state and local payments to the authority when it does not cooperate in the conduct of the examination of the accounts, or in the performance or financial audits.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §6-9-13, to read as follows:

ARTICLE 9. SUPERVISION OF LOCAL GOVERNMENT OFFICES.

§6-9-13. Examination of Potomac Highlands Airport Authority accounts by Chief Inspector, Tax Commissioner and Legislative Auditor.

1 (a) The Legislature finds that:

2 (1) In section eight, chapter one hundred thirty-five, Acts of the Legislature, Regular Session,
3 1976, the Legislature required the Tax Commissioner to regularly examine the accounts of the
4 Potomac Highlands Airport Authority in the manner required by article nine, chapter six of the Code
5 of West Virginia;

6 (2) In 1999, the Legislature transferred the responsibilities of the Chief Inspector from the
7 Tax Commissioner to the State Auditor, in section eleven of this article;

8 (3) The transfer of the Tax Commissioner’s duty to examine the accounts of the Potomac
9 Highlands Airport Authority was not specifically mentioned in the act making the transfer; and

10 (4) Since that transfer, it appears that neither the Tax Commissioner nor the State Auditor
11 have regularly examined the accounts of the Potomac Highlands Airport Authority.

12 (b)(1) The State Auditor, as the Chief Inspector shall regularly examine the accounts of the
13 Potomac Highlands Airport Authority in the manner required by this article for other local
14 governments.

15 (2) The Potomac Highlands Airport Authority shall cooperate in the examination.

16 (3) If the Potomac Highlands Airport Authority does not allow the Chief Inspector to
17 examine its accounts, the Chief Inspector shall notify the State Tax Commissioner, who shall
18 examine all of the authority’s accounts. At the request of the Tax Commissioner, the Chief Inspector
19 shall provide staff to assist the Tax Commissioner in the examination. After an examination of the
20 authority’s accounts by either the Tax Commissioner or the Chief Inspector findings of the
21 examination shall be compiled into a written report and made available to the public. Whoever
22 prepares the report shall submit a copy of the report to the Joint Committee on Government and

1 Finance and to the governing body of each local government with representatives on the authority,
2 within thirty days after completion.

3 (c) If the Chief Inspector, or the Tax Commissioner, determines the authority is not
4 cooperating in his or her efforts to perform an examination under the authority of this subsection,
5 the Chief Inspector, or the Tax Commissioner, as applicable, shall notify, in writing, the State
6 Auditor, and all local governments that contribute financial or other resources to the authority, of the
7 lack of cooperation. Upon receipt of the notification the State Auditor may not process payments
8 to the authority, and the local governments shall withhold all contributions that would otherwise be
9 distributed to the authority, until the Chief Inspector, or the Tax Commissioner, as applicable,
10 informs them that the authority has cooperated as required by this section.

11 (d) (1) In addition to the authority of the Chief Inspector and the Tax Commissioner, the
12 Legislative Auditor may conduct performance or financial audits, or both, of the authority.

13 (2) The Potomac Highlands Airport Authority shall cooperate with the Legislative Auditor
14 in any such audit.

15 (3) If the Legislative Auditor determines the authority is not cooperating in his or her efforts
16 to perform an audit under the authority of this subsection, the Legislative Auditor shall notify, in
17 writing, the State Auditor, and all local governments that contribute financial or other resources to
18 the authority, of the lack of cooperation. Upon receipt of the notification the State Auditor may not
19 process payments to the authority, and the local governments shall withhold all contributions that
20 would otherwise be distributed to the authority, until the Legislative Auditor informs them that the
21 authority has cooperated as required by this section.

NOTE: The purpose of this bill is to require examination of Potomac Highlands Airport Authority accounts by Chief Inspector or Tax Commissioner. It also authorizes the Legislative Auditor to audit the authority.

This section is new; therefore, it has been completely underscored.