

# WEST VIRGINIA CODE: §6-9D-7

## **§6-9D-7. Declaring existence of fiscal watch; financial recovery plan.**

(a) Upon determining that one or more of the conditions constituting grounds for a fiscal watch are present, the State Auditor or a designee shall issue a written declaration of the existence of a fiscal watch and provide the same to the governing body of the local government.

(b) The fiscal watch shall be in effect until the State Auditor or a designee determines that the conditions have been satisfactorily addressed, cancels the watch, or until the State Auditor or a designee determines that a state of fiscal emergency exists. The State Auditor or a designee, shall provide such technical and support services to the municipal corporation, county or political subdivision after a fiscal watch has been declared to exist as the State Auditor or a designee considers necessary and provide recommendations to address the fiscal watch conditions.

(c) Within 90 days after the day a written declaration of the existence of a fiscal watch is issued under this section, the governing body of the local government for which a fiscal watch was declared shall submit to the State Auditor or a designee a financial recovery plan that shall identify actions to be taken to eliminate all of the conditions described in §6-9D-6 of this article, and shall include a schedule detailing the approximate dates for beginning and completing the actions and a five-year forecast reflecting the potential effects of the actions. The financial recovery plan also shall evaluate the feasibility of entering into shared services agreements with other political subdivisions for the joint exercise of any power, performance of any function, or rendering of any service, if not precluded by statute. The financial recovery plan is subject to review and approval by the State Auditor or a designee pursuant to the provisions of the rules promulgated pursuant to this article. The State Auditor or a designee may extend the amount of time by which a financial recovery plan is required to be filed, for good cause shown.

(d) The State Auditor or a designee may declare that a fiscal emergency condition exists under this article in the municipal corporation, county or political subdivision if either of the following applies:

(1) A feasible financial recovery plan for a local government filed pursuant to the provisions of this article and for which a fiscal watch was declared is not submitted within the time period prescribed by this section, or within any extension of time thereof; or

(2) The State Auditor or a designee finds that a local government for which a fiscal watch has been declared has not made reasonable proposals or otherwise taken action to discontinue or correct the fiscal practices or budgetary conditions that prompted the declaration of fiscal watch, and the State Auditor or a designee determines a fiscal emergency declaration is necessary to prevent further decline.

(e) If the State Auditor or a designee finds that a local government declared to be under a fiscal watch has not made reasonable proposals or otherwise taken action to discontinue or correct the fiscal practices or budgetary conditions that prompted the declaration of fiscal watch, and if the State Auditor or a designee considers it necessary to prevent further fiscal decline, the State Auditor or a designee may determine that the local government should be in a state of fiscal emergency as set forth in this article

WV Legislature