

- (i) The association's annual financial statements consisting of a balance sheet;
 - (ii) A statement of income and expenses or a statement of changes in financial position; and
 - (iii) The number of members or stockholders as of the close of its fiscal year.
- (c) The Department shall transmit one copy of the report to the State Department of Agriculture.

(d) If raw agricultural products are delivered by members to a cooperative association under marketing contracts which entitle the members to net proceeds from the sale of the products in their raw or processed state and subject the members to assessments in the event of an operating loss, the financial statements [included in the annual report referred to in (a) above] for associations engaged in handling raw agricultural products shall be audited by the association's independent certified public accountant. The audit shall be made in accordance with generally accepted auditing standards. Copies of [an annual report] THE FINANCIAL STATEMENTS together with the independent certified public accountant's report on ~~his~~ THE examination of the association's financial statements shall be furnished to each member or stockholder of the association and the Maryland Secretary of Agriculture ON AN ANNUAL BASIS. An independent certified public accountant and legal counsel shall be appointed by the association's board of directors. The certified public accountant shall explain ~~his~~ THE report orally to the board of directors and shall also certify to the Secretary of Agriculture that the audit has been made in accordance with generally accepted auditing standards.

[(e)](B) The requirements of this section shall be met also by all foreign cooperative associations engaged in handling raw agricultural products that have one or more Maryland residents as members or stockholders.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

Approved May 2, 1994.

CHAPTER 278

(House Bill 490)

AN ACT concerning

Alcoholic Beverages – Permits

FOR the purpose of creating an alcohol awareness program permit and an alcohol awareness instructor's permit to be issued by the State Comptroller; setting the permit fee; requiring an alcohol awareness instructor's permit under a certain condition; authorizing the Comptroller to issue certain regulations; and generally