

and standards, and financial reporting for the Water Quality Fund, THE DRINKING WATER LOAN FUND, AND THE WATERSHED BAY RESTORATION FUND shall conform to the requirements of Title VI of the Federal Water Pollution Control Act, THE FEDERAL SAFE DRINKING WATER ACT, AND THE CHESAPEAKE BAY WATERSHED AND ATLANTIC COASTAL BAYS BAY RESTORATION FUND ACT, AS APPLICABLE and, to the extent not inconsistent therewith, generally accepted principles of governmental accounting. As soon as practical after the closing of the fiscal year, an audit shall be made of the financial books, records, and accounts of the Administration. The audit shall be made by independent certified public accountants, selected by the Administration, and licensed to practice in the State as auditors. The auditors may not have a personal interest either directly or indirectly in the fiscal affairs of the Administration. They shall be experienced and qualified in the accounting and auditing of public bodies. The report of audit shall be prepared in accordance with generally accepted auditing principles and point out any irregularities found to exist. The auditors shall report to the Secretary the results of their examination, including their unqualified opinion on the presentation of the financial positions of the Water Quality [Fund and] FUND, the Drinking Water Loan Fund, AND THE WATERSHED BAY RESTORATION FUND, and the results of the Administration's financial operations. If they are unable to express an unqualified opinion they shall state and explain in detail the reasons for their qualifications, disclaimer, or opinion including recommendations necessary to make possible future unqualified opinions.

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members of the Chesapeake Bay Watershed Restoration Fund Advisory Committee, appointed by the Governor, shall expire as follows:

- (1) four members in 2005;
- (2) four members in 2006; and
- (3) ~~four~~ three members in 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That the Bay Restoration Fund Advisory Committee, in consultation with the governing body of each county, shall study and, subject to § 2-1246 of the State Government Article, report on or before January 15, 2005, to the Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee regarding methods evaluated and recommended for the collection of the Bay restoration fee by local governments from users of onsite sewage disposal systems and users of sewage holding tanks that do not receive water bills, in accordance with § 9-1605.2 of the Environment Article, as enacted by Section 1 of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That, on or before December 31, 2006, the Bay Restoration Fund Advisory Committee, in conjunction with the Maryland Association of Counties and the Maryland Municipal League, shall, subject to § 2-1246 of the State Government Article, jointly report to the Senate Education, Health, and Environmental Affairs Committee and the House Environmental Matters Committee regarding the extent of administrative costs incurred by local