
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 756

Session of
1979

INTRODUCED BY STAPLETON, O'CONNELL, ROSS AND GURZENDA,
MAY 8, 1979

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
NOVEMBER 28, 1979

AN ACT

1 Amending the act of June 12, 1968 (P.L.173, No.94), entitled "An
2 act to provide for the incorporation and regulation of
3 cooperative agricultural associations; providing for the
4 operation, taxation, merger, dissolution and winding up of
5 such associations; conferring certain rights, powers, duties,
6 restrictions, privileges and immunities upon them and their
7 directors, officers, stockholders and members; conferring
8 powers and imposing duties upon the courts, the Department of
9 State, the Department of Agriculture and other State offices;
10 and imposing penalties for the violation of this act,"
11 further providing for the audits of certain cooperatives.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Subsection (a) of section 27, act of June 12,
15 1968 (P.L.173, No.94), known as the "Cooperative Agricultural
16 Association Act," amended December 2, 1976 (P.L.1253, No.278),
17 is amended to read:

18 Section 27. Audit of Operations; Audit; Failure to File
19 Audit; Penalties.--(a) At the close of each fiscal year a
20 complete certified audit of the operations of the association
21 shall be made, by a qualified certified public accountant or

1 accountants or by a qualified public accountant or accountants,
2 employed by the board of directors, the written report of whom
3 shall include the balance sheet, operating statement
4 commissions; salaries and other remunerations of managers and
5 officers and other proper information, and shall be submitted to
6 the members at the next regular meeting. Within six months after
7 the expiration of the fiscal year for which made, the secretary
8 of the association shall file a copy of the certified audit with
9 the Secretary of Agriculture of this Commonwealth upon a form
10 prescribed by the Secretary of Agriculture. The secretary of the
11 association shall also include in the yearly audit report to the
12 Secretary of Agriculture a list of the current officers and
13 directors and their addresses. The annual audit of an
14 association with annual gross sales of one hundred thousand
15 dollars (\$100,000) or less may be performed by an audit
16 committee of three or more members of the association appointed
17 by the board, HOWEVER, ONE OF THE THREE MEMBERS SHALL BE A <—
18 MEMBER OF THE BOARD OF DIRECTORS. The members of the committee
19 need not be certified public accountants or public accountants.

20 * * *

21 Section 2. This act shall take effect immediately.