§ 727. Accounting requirements. 1. Every labor organization, employer organization, employer and labor relations consultant shall maintain detailed and accurate books and records of account in conformity with generally accepted accounting principles and in accordance with standards prescribed by the industrial commissioner; provided, however, that the standards prescribed may vary according to the size and type of the organization. All books and records of account shall be preserved for a period of five years. The persons required to prepare reports under section seven hundred twenty-six of this article, shall be responsible for the maintenance and preservation of books and records of account required by this section.

2. The industrial commissioner, when he has reasonable cause to believe that the required accounting standards have not been maintained or that the books and records do not accurately reflect the financial condition and financial transactions of the labor organization or employer organization, may examine the books and records of the organization, subpoena witnesses and documents, and make such other investigation as is necessary to enable him to determine the facts relative thereto.

The industrial commissioner, when he has reasonable cause to believe that the books and records and the annual financial report required by section seven hundred twenty-six do not accurately reflect the matters required to be maintained or reported by the labor organization, employer organization, employer or labor relations consultant, may examine the books and records of such labor organization, employer organization, employer or labor relations consultant, subpoena witnesses and documents, and make such other investigation as is necessary to enable him to determine the facts relative thereto.