Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

6 December 2023 [shall come into force on 14 December 2023];

21 March 2024 [shall come into force on 1 June 2024].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Local Government Law**

**Chapter I**

**General Provisions**

**Section 1. Purpose of the Law**

The purpose of the Law is to ensure democratic, legal, efficient, sustainable, open, and publicly accessible administration within the administrative territory of each local government, and also balanced access to local government services.

**Section 2. Local Government**

(1) A local government is a derived public entity, i.e. a local administration, which has a decision-making body, i.e. a council, elected by the inhabitants and which independently ensures and is responsible for the performance of the functions and tasks laid down for it in legislative acts in the interests of the inhabitants of its administrative territory.

(2) A local government shall be responsible for the activities of the council and the local government administration, unless it is laid down otherwise in laws.

**Chapter II**

**Competence of a Local Government**

**Section 3. Types of Competence of a Local Government**

(1) The competence of a local government shall be determined by external legal acts and contracts governed by public law concluded in accordance with the law.

(2) In the field of public law, a local government shall exercise:

1) autonomous competence – autonomous functions and voluntary initiatives implemented as autonomous functions;

2) assigned competence – delegated administration tasks.

**Section 4. Autonomous Functions**

(1) The autonomous functions of a local government are as follows:

1) to organise water management, heating supply, and municipal waste management services for inhabitants, irrespective of the ownership of the housing fund;

2) to take care of improvements and sanitary cleanliness of the administrative territory of the local government (lighting and maintenance of areas intended for public use; development and maintenance of parks, squares, and green areas; flood prevention measures; establishment and maintenance of cemeteries and places for burial of dead animals), and also to lay down the requirements for the maintenance of territories and structures, insofar it is related to public safety, maintenance of sanitary cleanliness, and preservation of the urban landscape;

3) to take care of the construction, maintenance, and management of roads owned by the local government;

4) to take care of the education of inhabitants, including the provision of compulsory education and availability of pre-school education, secondary education, vocationally oriented education, interest-related education, and adult education;

5) to provide a culturally diverse offer to inhabitants and the opportunity to take part in cultural life, to contribute to the preservation of the cultural heritage in the territory of the local government and to support cultural activities;

6) to take care of the health of inhabitants – to take measures for promoting healthy lifestyle and organise availability of health care services;

7) to promote the development of the sport, including the maintenance and development of sports bases of the local government, to support athletes and sports clubs, including professional sports clubs, and to provide support for the organisation of sporting events;

8) to carry out youth work;

9) to ensure support to inhabitants in solving social problems, and also the possibility to receive social assistance and social services;

10) to provide assistance to inhabitants in resolving housing problems, and also to promote the creation, maintenance, and modernisation of the housing fund;

11) to implement the protection of the rights and interests of children and persons under trusteeship;

12) to facilitate and support economic activity in the administrative territory of the local government;

13) to issue permits and licences for commercial activities;

14) to participate in ensuring public order and security, including by establishing and financing the municipal police;

15) in accordance with the spatial plan of the local government, to determine land utilisation and development thereof;

16) to ensure the rule of law of the administrative proceedings related to the construction process;

17) to perform civil status act registrations;

18) to take measures in civil protection and disaster management, in the field of fire safety and fire-fighting;

19) to organise public transport services;

20) to facilitate sustainable administration and management of natural capital, and also to determine the procedures for the use of local government property in public use, unless it is laid down otherwise in laws;

21) to ensure the availability of sobering-up services;

22) to contribute to climate change mitigation and adaptation.

(2) The local government shall perform its autonomous functions in conformity with external legal acts and the concluded contracts governed by public law.

(3) The local government shall organise and be responsible for the performance of autonomous functions in conformity with the competence thereof.

(4) Performance of autonomous functions shall be financed from the local government budget, unless prescribed otherwise in law. In the cases and by the procedures provided for in external legal acts, the State shall participate in the implementation and financing of specific autonomous functions.

(5) When transferring a new autonomous function or task to the local government the performance of which involves increased expenditures, sources of financing for ensuring the performance of such function or task shall be concurrently determined for the local government.

(6) The State may take over the performance of a task falling within the autonomous function of the local government in the cases and in accordance with the procedures laid down in law by complying with the principles of subsidiarity and proportionality.

**Section 5. Voluntary Initiatives**

(1) A local government may voluntarily implement initiatives in the interests of the inhabitants of its administrative territory in any matter, provided that such initiatives do not fall within the competence of other authorities and such actions are not restricted by other laws.

(2) The procedures for the implementation of voluntary initiatives shall be determined and the funding shall be provided by the local government.

(3) Voluntary initiatives shall be planned and financing for the fulfilment thereof shall be provided if it does not interfere with the performance of autonomous functions and delegated administrative tasks within the competence of the local government.

**Section 6. Delegation of Tasks to a Local Government**

(1) In accordance with the procedures laid down in the State Administration Structure Law, an administration task falling within the competence of the State or another derived public entity may be delegated to a local government.

(2) When delegating an administration task, the financing necessary for the performance of the respective administration task shall be provided to the local government.

(3) When performing the administration tasks delegated by the State, the local government represents the State and is subordinated to the Cabinet. The State is liable for the lawful and efficient performance of the delegated administration task.

**Section 7. Right of a Local Government to Delegate Tasks**

In accordance with the State Administration Structure Law, a local government may delegate a specific administration task falling within the autonomous competence thereof to another person.

**Section 8. Functions of City Governments**

(1) The Rīga city government shall, in addition to the autonomous functions of the local government, ensure continuous performance of the following functions of the capital city:

1) ensure the conditions for hosting foreign delegations and for the activities of diplomatic missions, international organisations and their representations accredited in Latvia, and also maintain the national representation objects belonging to the local government associated therewith;

2) participate in the organisation of events of international and national importance and in strengthening the international image of the capital city;

3) participate in the maintenance and development of historical objects of State and international importance, cultural and historical objects of national importance, and also of the cultural infrastructure;

4) participate in the maintenance and development of communications systems and transport infrastructure of State importance.

(2) Other city governments shall, in addition to the autonomous functions of the local government, ensure continuous performance of the functions referred to in Paragraph one, Clauses 3 and 4 of this Section.

**Chapter III**

**Institutional System of the Local Government**

**Section 9. Council**

(1) Councils shall be composed of elected councillors.

(2) The number of councillors to be elected in the council shall be determined by the Law on the Election of Local Government Councils.

(3) The rights and obligations of a councillor shall be determined by this Law and the Law on the Status of the Councillor of the Local Government Council.

(4) A councillor shall receive remuneration for the participation in the meetings of the council and committees and for the fulfilment of obligations of another councillor in accordance with the Law on Remuneration of Officials and Employees of State and Local Government Authorities.

**Section 10. Competence of a Council**

(1) A council is entitled to decide on any matter within the competence of a local government. Only a council is authorised to:

1) issue binding regulations, including the local government by-law, and also binding regulations regarding the budget and spatial plan of the local government;

2) approve the annual statement, the consolidated annual statement, and the annual public statement of the local government;

3) approve the development planning documents of the local government, including the development programme and the sustainable development strategy;

4) approve the local government territorial divisions and its administration structure;

5) decide on the division or amalgamation of the administrative territory of the local government with another administrative territory, the modification of the boundaries of the administrative territory, or the change of the name;

6) assign and change the names of streets, parks, squares and other public infrastructure objects of the local government;

7) determine the symbols of the local government and the territorial units by agreeing thereupon with the State Heraldry Commission in accordance with the procedures laid down in law;

8) establish and reorganise the local government administration, including to establish, reorganise, and liquidate its constituent authorities, and also issue by-laws of local government authorities;

9) establish, reorganise, and liquidate local government capital companies and foundations, and also decide on participation in capital companies, associations, and foundations in accordance with the procedures laid down in law;

10) appoint to office and remove therefrom the heads of local government institutions, and also other officials in the cases provided for in legal acts;

11) elect and dismiss a chairperson and a deputy chairperson of the council, and members of committees;

12) appoint to office and remove therefrom the executive director and deputy executive director of the local government;

13) determine the procedures for the appointment or election of representatives of the local government to committees, commissions, advisory councils, and working groups established by other public entities or jointly established by the local government and other public entities;

14) determine the remuneration of the chairperson of a council and also other remunerated positions in the council and their remuneration;

15) revoke legal acts issued by the chairperson of a council;

16) take decisions with respect to the alienation and encumbering of local government immovable property, and also acquisition of immovable property;

17) determine procedures for the transactions with local government movable property, and also procedures for accepting and managing gifts and bequests, and taking on of loans, borrowings, and other obligations in the name of the local government in accordance with the provisions laid down in law;

18) decide on the authorisation or prohibition of gambling venues in the administrative territory of the local government;

19) take decisions with respect to procedures for the performance of the autonomous functions of the local government and for determining the officials responsible for the performance thereof, and also for the submission of reports on the performance of such functions;

20) take decisions with respect to organising elections and referendums, in accordance with procedures stipulated by the Central Election Commission;

21) take decisions in other cases provided for in external legal acts.

(2) If the law does not expressly stipulate that taking of the relevant decision is within the competence of a council, the council may, by stipulating it in the local government by-law, authorise the local government administration:

1) to decide on the use of the local government immovable property;

2) unless prohibited or determined by law, to charge a fee for:

a) the use of the local government property;

b) thermal energy supplied by the local government by determining a tariff for thermal energy supply services;

c) municipal waste management;

d) other services provided by the local government;

e) the use of the centralised water supply system and the centralised sewerage system of the local government.

**Section 11. First Meeting of a Council**

(1) The first meeting of the newly elected council shall be convened by the chairperson of the local government election commission within the time period laid down in the Law on the Election of Local Government Councils.

(2) The term of mandate of the previous council shall terminate with the first meeting of the newly elected council.

(3) Until election of the chairperson of a council, the chairperson of the local government election commission shall chair the council meeting and sign the decision of the council on election of the chairperson of a council.

**Section 12. Election of the Chairperson of a Council**

(1) The chairperson of a council shall be elected from among the councillors of the council. Every councillor has the right to nominate a candidate for the position of the chairperson of the council.

(2) The chairperson of the council shall be elected if the candidate has received more than half of the votes of the elected councillors of the council.

(3) If none of the candidates receives the necessary majority of votes in the first round, a repeat vote shall be held for those two candidates who receive the most votes. The candidate, who receives the necessary number of votes for election, is elected. If also in the second round neither of the candidates receives the majority of votes necessary for election, the third round of voting shall be held for the candidate who receives more votes in the second round.

(4) If no candidate in the third round receives the necessary number of votes for election, new elections shall be held for the chairperson of a council.

**Section 13. Election of a Deputy Chairperson of a Council**

(1) After election of a chairperson of a council, a deputy chairperson of a council shall be elected from among the councillors of the council.

(2) A chairperson of a council may have several deputies. The number of deputy chairpersons of a council shall be determined by the local government by-law.

(3) Election of a deputy chairperson of a council shall take place in accordance with the procedures laid down in Section 12 of this Law.

**Section 14. Election of Committees**

(1) After election of a chairperson and a deputy chairperson of a council, committees shall be elected from among the councillors of the council.

(2) The committees, their competence and numerical composition shall be laid down in the local government by-law. The number of committee members shall not be less than three. Each councillor shall be a member of at least one committee.

(3) The number of councillors to be elected to a committee from each list of candidates for election to a council shall be determined in proportion to the number of councillors elected to the council from each list of candidates for election to the council. The principle of proportionality may be waived in cases where it is not possible due to objective reasons to comply with that laid down in Paragraph two of this Section, and also due to mathematical reasons, and in cases where all the councillors elected to the council from each list of candidates for election to the council refuse to participate in a committee.

**Section 15. Changes in the Composition of a Committee**

(1) A councillor shall cease to be a member of a committee if, upon receipt of a written submission from the councillor, a council has taken the decision to release such councillor from the fulfilment of obligations of the member of the committee.

(2) If a councillor is released from the fulfilment of obligations of the member of the committee, the councillors elected to the council from the relevant list of candidates for election to the council are entitled to nominate another councillor for participation in the relevant committee.

(3) In order to improve the efficiency of work, a council is entitled to establish a new committee, and also to dissolve a committee or to reduce the number of its members, without receiving their submissions to terminate their participation in the committee. When establishing a new committee or reducing the number of its members, the council shall decide on the composition of the committee in accordance with the provisions of Section 14, Paragraphs two and three of this Law.

**Section 16. Restrictions to Hold an Office in a Council**

(1) A councillor to whom the procedural compulsory measure (security measure) is applied in accordance with the procedures laid down in the Criminal Procedure Law – a prohibition on specific employment that prevents him or her from the fulfilment of the obligations of a chairperson or a deputy chairperson of a council, shall not be nominated as a candidate for the position of the chairperson or deputy chairperson of the council.

(2) Every councillor has the right to be elected in authorities and positions of a council, unless restrictions have been imposed by external legal acts or the procedural compulsory measure (security measure) has been applied in criminal proceedings – a prohibition on specific employment that prevents him or her from the fulfilment of the duties of the relevant position.

**Section 17. Mandate of a Chairperson and a Deputy Chairperson of a Council**

(1) The mandate of a chairperson and a deputy chairperson of a council shall be in effect from the moment of election.

(2) The office of a chairperson of a council shall be remunerated.

(3) A chairperson of a council shall:

1) manage the work of the council and represent the interests of the local government, including represent the council between the meetings thereof;

2) chair the council meetings and sign the council decisions;

3) represent the council without a special authorisation in court and in relations with the State administration and other State authorities;

4) supervise the execution of court judgments in cases in which one of the parties is the local government;

5) issue powers of attorney, sign contracts and other legal documents in conformity with the local government by-law;

6) propose the examination of matters in the council and committees, including submitting for examination of submissions and requests received from State authorities;

7) if necessary, appoint from among the employees of the local government administration an acting head or acting executive director of an institution during his or her absence or until the council has decided on the appointment of a new head or executive director of the institution into office;

8) issue orders to the executive director, the heads of local government institutions and other authorities, insofar as this is necessary for the implementation of the mandate of the chairperson of the council;

9) fulfil other obligations provided for in the legal acts and decisions of the council.

(4) A deputy chairperson of a council shall replace a chairperson of a council during his or her absence, in the manner and to the extent laid down in the local government by-law. If the chairperson of the council has several deputies, the competence thereof, including the procedures for replacing the chairperson of the council, shall be laid down in the local government by-law.

(5) If a chairperson of a council has been dismissed, released, suspended from office or has resigned from fulfilment of the duties of office or for other reasons is no longer able to fulfil the obligations of the chairperson, the deputy chairperson shall fulfil the obligations of the chairperson of the council.

(6) In order to ensure their activities, a chairperson and a deputy chairperson of a council may employ advisory employees and establish an office for the duration of their term of mandate. The chairperson and deputy chairperson of the council may give notice of termination of the contract with an advisory employee at any time, without specifying the reasons for such notice.

(7) A local government shall, in accordance with the procedures laid down in legal acts,send a request to the competent State security institution for the granting of a personnel security clearance for access to an official secret to the chairperson and deputy chairperson of the council not later than one month after their election to office.

[*21 March 2024*]

**Section 18. Right of a Chairperson and a Deputy Chairperson of a Council to Resign from Office**

A chairperson or a deputy chairperson of a council may resign from office by giving a written notice to the council. In such case the chairperson or deputy chairperson of the council shall continue to fulfil his or her obligations until the next council meeting at which time his or her term of mandate shall terminate regardless of whether a new chairperson or deputy chairperson of the council is elected at the meeting.

**Section 19. Release of a Chairperson and a Deputy Chairperson of a Council from Office**

(1) Upon request of at least one-third of councillors, a council shall decide on release of a chairperson or a deputy chairperson of the council from office.

(2) The Minister for Environmental Protection and Regional Development has the right to request the release of a chairperson of a council if the chairperson of the council fails to conform to or fulfil the requirements of external legal acts, decisions of the council, or court judgments.

(3) A request for release of a chairperson or a deputy chairperson of a council shall be examined at the next council meeting, but not later than within 10 working days from the date of receipt of the request. If no current council meeting is scheduled to take place within that period, the chairperson of the council shall convene an extraordinary council meeting.

(4) If the chairperson of the council has not convened the council meeting within the period specified in Paragraph three of this Section, the deputy chairperson shall convene such meeting.

(5) During the council meeting, the deputy chairperson of the council shall chair the examination of the matter on release of a chairperson of a council. If the deputy chairperson of the council is prevented from fulfilling his or her obligations, the examination of the matter shall be chaired and the decision of the council shall be signed by the councillor who first signed the request referred to in Paragraph one of this Section.

(6) The chairperson or deputy chairperson of the council shall be released from office if more than half of councillors vote in favour thereof.

**Section 20. Local Government Administration**

(1) A local government administration is an indirect administration established by the council to ensure the performance of the functions and tasks assigned to the local government. The local government administration shall consist of local government institutions and officials. The structure of the local government administration shall be laid down in the local government by-law.

(2) A council shall establish a central administration body – a local government institution which shall provide organisational and technical services to the council and its committees and shall perform other functions laid down in the local government by-law.

(3) The remuneration of the employees of the local government administration shall be determined in conformity with the Law on Remuneration of Officials and Employees of State and Local Government Authorities.

(4) In case of a change of a council, the employment relations of local government administration employees shall not be discontinued.

(5) The employees of the local government administration who are public officials in conformity with the law On Prevention of Conflict of Interest in Activities of Public Officials shall be selected in an open competition. The procedures and criteria for the evaluation of candidates, including the candidate’s education, previous work experience, and competence requirements, shall be laid down by the head of the relevant institution and for the head of the institution – by the executive director. The decisions taken in the competition shall constitute decisions of the local government in the field of private law.

(6) In order to ensure good governance, especially the efficient fulfilment of the tasks of the local government and the public trust in the work of the relevant local government, and also to promote an increase in the qualification of an employee, an employee may, without the announcement of open competition and justifying the admissibility and usefulness of the transfer, be transferred to any other local government position in conformity with his or her abilities and qualification for a definite or an indefinite term in the same or another institution by evaluating the opinion of the employee. The basis of the transfer may also be a justified request by the employee.

(7) The transfer referred to in Paragraph six shall take place:

1) by agreeing on amendments to the employment contract or

2) if the employee does not agree to the transfer by the local government unilaterally amending the terms of the employment contract concerning the work to be performed, except for the case when the local government has noticed the termination of the employment contract in accordance with the procedures laid down in the Labour Law in respect of the amendments proposed thereto.

(8) If an employee is transferred to another position on the basis of Paragraph six of this Section, he or she shall be paid a monthly wage not lower than his or her previous monthly wage, except for the case when the transfer is based on a justified request by the employee.

(9) An employee has the right to appeal the decision of the local government to unilaterally amend the terms of his or her employment contract to a district (city) court in accordance with the same procedures and time periods as laid down in the Labour Law for appealing a notice of termination by an employer.

**Section 21. Appointment of an Executive Director and a Deputy Executive Director of the Local Government**

(1) An executive director of the local government shall be appointed by the council for a period of five years.

(2) The council shall, not later than six months before the expiry of the term of office of an executive director of the local government, decide, on the basis of his or her performance evaluation, on the extension of the term of office for five years if the executive director agrees therewith, or organise a competition for the position of the executive director.

(3) If the council, when examining the matter on renewal of the employment contract of the executive director, decides not to renew the employment contract, it may offer him or her another position in the local government administration without organising an open competition for the relevant position.

(4) An executive director of the local government shall be selected in an open competition. The procedures and criteria for the evaluation of candidates for the position of the executive director of the local government, including the candidate’s education, previous work experience, and competence requirements, shall be laid down by the council. A candidate for the position of the executive director of the local government shall conform to at least the following requirements:

1) the person is a citizen of the Republic of Latvia;

2) the person is fluent in the Latvian language;

3) the person has a higher education;

4) the person has not been sentenced for a serious or especially serious crime or has been exonerated, or the criminal record has been set aside or extinguished;

5) the person has not been prohibited from taking up the position of the head of an institution due to a sanction imposed in a disciplinary matter, an administrative offence matter or a criminal matter;

6) the person whose capacity to act has not been restricted by a court;

7) the person is not or has not been a staff employee in the State security service, intelligence or counter-intelligence service of the USSR, the Latvian SSR or any foreign country;

8) the person is not or has not been a member of organisations prohibited by law or by court rulings;

9) those laid down in the legal acts for receiving a personnel security clearance for access to an official secret.

(5) The term of office of an executive director of the local government shall be counted from the date of appointment or the date of extension of the term of office. Following the termination of the term of office, the executive director of the local government shall continue to fulfil the obligations of the executive director until the appointment of a new executive director of the local government if there is no deputy executive director in the local government and another acting executive director has not been appointed in accordance with that laid down in Section 17, Paragraph three, Clause 7 of this Law.

(6) An executive director of the local government may have one or more deputies. The number of deputy executive directors of the local government shall be determined in the local government by-law. The procedures and requirements laid down in this Section shall apply to the appointment of a deputy executive director of the local government.

(7) An executive director or deputy executive director of the local government shall be appointed or removed from office if more than half of councillors vote in favour thereof. Such a vote of the council shall also be required for the purpose of extending the term of office in the case provided for in Paragraph two of this Section. The employment contract of the executive director or deputy executive director of the local government shall be concluded by the chairperson of the council.

(8) A local government shall, in accordance with the procedures laid down in legal acts, send a request to the competent State security institution for the granting of a personnel security clearance for access to an official secret to the executive director and deputy executive director of the council not later than one month after their appointment to office.

[*21 March 2024*]

**Section 22. Mandate of an Executive Director and a Deputy Executive Director of the Local Government**

(1) An executive director of a local government:

1) shall ensure enforcement of the decisions taken by the council;

2) shall manage the central administration body, unless it is laid down otherwise in the local government by-law, control and coordinate the work of the local government administration, and also issue orders to the local government administration employees who shall inform their direct manager thereof;

3) shall hire and dismiss from work, in accordance with the procedures laid down in the local government by-law, the employees of the central administration body if the executive director is also the head of the central institution;

4) shall propose to the council the appointment or dismissal of the heads of local government institutions and conclude employment contracts with the heads of institutions;

5) shall submit proposals to the council for the formation, reorganisation, and liquidation of the local government institutions and other authorities, and also the local government capital companies;

6) is entitled to suspend and revoke unlawful and unnecessary decisions of the heads of local government institutions, unless it is laid down otherwise in law;

7) shall dispose of the property and financial resources of the local government, and also carry out legal transactions, in accordance with the procedures laid down in the local government by-law;

8) shall, in accordance with the Law on Governance of Capital Shares of a Public Person and Capital Companies, fulfil the obligations of the representative of a holder of capital shares in capital companies in which the local government is the holder of capital shares;

9) shall organise the preparation of the annual statement, the consolidated annual statement, and the annual public statement of the local government;

10) shall organise transfer of the records and documents transferred by the previous chairperson of the council to the executive director to the new chairperson of the council;

11) shall ensure the continuity of the work of the local government administration in the event of a change of the council;

12) shall take administration-related decisions within his or her competence and exercise control over the lawfulness of administrative decisions taken by the local government administration;

13) shall organise, supervise, and improve the internal control system of the local government;

14) shall report on his or her activities in accordance with the procedures laid down in the local government by-law;

15) shall fulfil other obligations provided for in external legal acts and the council decisions.

(2) A deputy executive director of a local government shall replace an executive director of a local government during his or her absence, and also fulfil the obligations assigned thereto by the executive director on the basis of an order or the obligations specified in the job description or in the local government by-law. If the executive director of the local government has several deputies, the competence thereof, including the procedures for replacing the executive director, shall be laid down in the local government by-law.

**Section 23. Administration of the Territorial Units of a Municipality**

(1) In order to ensure the accessibility of the services provided by a local government in municipality rural territories and municipal towns, a local government council shall establish a rural territory or town administration, or administration of the association of territorial units. The local government council may establish the administration of the association of territorial units (rural territory or rural territory and town), if the territorial division of the municipality specified in the local government by-law includes an association of territorial units by ensuring the services referred to in Paragraph three of this Section in each territorial unit forming the association.

(2) A rural territory or town administration may not be established:

1) if the administrative territory of the municipality comprises only one rural territory;

2) if the territory of the rural territory has less than 500 permanent residents and in such case the administration of the territorial division association shall be established;

3) in such territorial unit of the municipality in which the administrative centre of the municipality is located if the accessibility of the services provided by the local government therein is ensured by other administrative entities of the local government which are located in the administrative centre of the municipality.

(3) The rural territory or town administration shall ensure at least the following services:

1) issue statements according to the competence of the local government and provide information on the issues within the competence of the local government;

2) accept payments for the taxes and fees specified by the State the collection of which has been assigned to the local government and also the payments for fees specified by the council and payments for the services provided by the local government;

3) disburse social benefits of the local government;

4) accept submissions and organise the provision of replies to the relevant persons;

5) ensure access to information on the decisions taken by the council.

**Section 24. Administrative Commission**

(1) A council shall establish the administrative commission of a local government in the composition of at least five persons to conduct administrative offence proceedings and also to perform the tasks specified in the Law on Application of Compulsory Measures of a Correctional Nature to Children. The council may set up sub-commissions of the administrative commission of a local government.

(2) The administrative commission and the sub-commission of a local government shall have a quorum if not less than half of its composition is taking part in it.

**Section 25. Administrative Acts of the Local Government**

(1) A council shall authorise an institution or official of the local government administration to issue an administrative act on behalf of the local government, except in the case when the law or the Cabinet regulations directly determine the local government institution, including the council, which is competent to issue an administrative act.

(2) Administrative acts issued by councils may be appealed in the administrative court. Administrative acts issued by the local government administration may be contested within the framework of the local government.

**Chapter IV**

**Organisation of the Work of a Council and Committees**

**Section 26. Agenda of a Council**

(1) The work of a council shall be carried out at meetings of the council and at committee meetings.

(2) The organisation of the work of a council shall be determined by the rules of procedure of the local government.

**Section 27. Council Meetings**

(1) A council shall take decisions during a council meeting.

(2) A council meeting shall take place if the meeting is attended by more than half of the councillors (quorum). The chairperson of the meeting shall ensure that a quorum is present before each vote. If a quorum is not present, the chairperson of the meeting shall close or adjourn the meeting. If a quorum is not present after the adjournment, the meeting shall be closed.

(21) A current council meeting convened in accordance with the procedures specified in Section 32, Paragraph three of this Law shall take place if the meeting is attended by at least one-third of the councillors.

(3) Council meetings shall be open, except for the cases laid down in law. A local government shall provide a live audiovisual transmission of the council meeting on its official website.

(4) A council meeting or a part thereof shall be declared closed if it is necessary to examine a matter concerning the private life of a person or the interests of children, an adoption secret, a commercial secret, or other information the disclosure of which is prohibited in accordance with law. The agenda of a closed council meeting or matters included in the closed part of a council meeting and the decisions taken shall not be made public, but the substance of the matter under examination and the decision taken shall be indicated.

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**Section 28. Convening a Current Council Meeting**

(1) A chairperson of a council shall convene a current council meeting as necessary, but at least once a month by specifying the agenda, time and place of the meeting. In the cases laid down in Section 33, Paragraph one of this Law, it shall be specified that the council meeting shall be held remotely.

(11) If a chairperson and deputy chairperson of a council are prevented from fulfilling their obligations, have been dismissed, released, or resigned from office, or a current council meeting has not been convened in accordance with the procedures determined in the law or local government by-law and it is necessary to ensure the continuity of the work of the local government, at least one-third of the councillors may convene a current council meeting. Upon request of councillors, the agenda of a current council meeting shall be prepared by an executive director of the local government. If a chairperson and deputy chairperson of a council fail to attend a council meeting, the meeting shall be chaired by the councillor who first signed the notice on convening the council meeting.

(12) If, according to Paragraph 1.1 of this Section, at least one-third of councillors have not convened a current council meeting within a month since the last current council meeting, an executive director of the local government shall, within three working days, prepare a draft agenda of a current council meeting and send it to the Minister for Environmental Protection and Regional Development with a request to convene a current council meeting. The Minister for Environmental Protection and Regional Development shall, within three working days after receipt of the abovementioned information, convene a current council meeting, determining its agenda and time and place of the meeting. If a chairperson and deputy chairperson of a council fail to attend a council meeting, the councillors present shall appoint a chairperson of the meeting from among themselves.

(2) The agenda, time and place of a current council meeting shall be notified to councillors in accordance with the procedures laid down in the rules of procedure of a local government. Draft decisions of the council, opinions thereon, and other reference materials which are laid down in the rules of procedure of a local government shall be accessible to councillors not later than three working days before the current council meeting.

(3) The notice on the agenda, time and place of a current council meeting shall be placed in the premises available to visitors and published on the official website of the local government not later than three working days before the meeting.

(4) Draft decisions of the council shall be made publicly available in accordance with the procedures laid down in the local government by-law not later than three working days before the current council meeting, except for the draft decisions of the council which are included in the agenda of the council meeting after this time limit, and also draft decisions on the matters referred to in Section 27, Paragraph four of this Law.

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**Section 29. Convening an Extraordinary Council Meeting**

(1) A chairperson of a council shall convene an extraordinary council meeting on his or her own initiative or upon request of the subjects referred to in Section 30, Paragraph one of this Law.

(2) When convening an extraordinary council meeting, the agenda of the meeting, the grounds for urgency of the proposed matter by indicating the consequences that will occur if the matter is not addressed urgently, and also the time and place of the meeting shall be specified, and a draft decision of the council shall be attached. The local government budget and amendments thereto shall not be discussed at an extraordinary council meeting.

(3) Draft decisions of the council, opinions thereon, and other reference materials which are laid down in the rules of procedure of a local government shall be accessible to all councillors not later than three hours before the extraordinary council meeting.

(4) A council is entitled to decide on the exclusion of a matter from the agenda of an extraordinary council meeting if the council considers that the grounds for urgency of the proposed matter specified by the chairperson thereof are insufficient. The council may also decide on the exclusion of a matter from the agenda of an extraordinary council meeting if the chairperson of the council has not specified the grounds for urgency of the proposed matter.

(5) The notice on the agenda, time and place of an extraordinary council meeting shall be published on the official website of the local government.

**Section 30. Convening an Extraordinary Council Meeting Upon Request**

(1) A chairperson of a council shall convene an extraordinary council meeting within three working days if such meeting is requested by:

1) at least one third of the councillors;

2) the Minister for Environmental Protection and Regional Development;

3) the Cabinet.

(2) The submission for the convening of an extraordinary council meeting shall include the agenda of the meeting and a draft decision of the council shall be attached thereto. If at least one third of the councillors request convening an extraordinary council meeting, the submission shall also specify the grounds for urgency of the proposed matters.

(3) A chairperson of a council shall convene an extraordinary council meeting, specify the agenda, time and place of the meeting in compliance with that laid down in Section 29, Paragraphs three and five of this Law. If the submission of councillors for the convening of an extraordinary council meeting does not include the grounds for urgency of the proposed matters, the chairperson of the council may refuse to convene an extraordinary council meeting and include the matters specified by councillors in the submission in the agenda of the next current council meeting.

(4) A council is entitled to examine the grounds for urgency of an extraordinary council meeting and to decide to exclude a matter from the agenda of the meeting if the council considers the grounds for urgency to be insufficient.

(5) In the cases referred to in Paragraph one, Clauses 2 and 3 of this Section, the initiator of an extraordinary council meeting or an authorised representative thereof shall attend the meeting and report on the proposed matter.

(6) If a chairperson of a council has not convened an extraordinary council meeting in the cases referred to in Paragraph one, Clauses 2 and 3 of this Section, the Minister for Environmental Protection and Regional Development or the Cabinet may request repeatedly that an extraordinary council meeting be convened by specifying the agenda, time and place of the meeting.

**Section 31. Right of Councillors to Convene an Extraordinary Council Meeting**

(1) If a chairperson and deputy chairperson of a council are prevented from fulfilling their obligations, have been dismissed, released, or resigned from office, and it is necessary to ensure the continuity of the work of the local government, at least one third of the councillors may convene an extraordinary council meeting by notifying the councillors in accordance with the procedures laid down in the rules of procedure of the local government.

(2) The notice on convening an extraordinary council meeting shall specify the agenda of the meeting, the grounds for urgency of the proposed matters, the time and place of the meeting, and a draft decision of the council shall be attached thereto. The notice shall also be sent to the Minister for Environmental Protection and Regional Development.

(3) An extraordinary council meeting shall be convened not later than three working days after notification thereof.

(4) An extraordinary council meeting shall be chaired and the decisions taken thereat shall be signed by the councillor who first signed the notice on convening the extraordinary council meeting.

(5) A council is entitled to examine the grounds for urgency of an extraordinary council meeting and to decide on the exclusion of a matter from the agenda of the council meeting if the council considers the grounds for urgency to be insufficient. The council may also decide on the exclusion of a matter from the agenda of a council meeting if the notice on proposing an extraordinary council meeting does not include the grounds for urgency of the proposed matter.

**Section 32. Convening a Repeated Council Meeting**

(1) If the number of the councillors referred to in Section 27, Paragraph two of this Law is not present at a council meeting, the chairperson of the meeting shall convene a repeated meeting:

1) a current council meeting – not earlier than after seven and not later than after 14 days, if necessary, supplementing the agenda of the meeting;

2) an extraordinary council meeting – not later than on the following working day to examine the matters included in the meeting agenda.

(2) When convening a repeated council meeting, the chairperson of the meeting shall inform the Minister for Environmental Protection and Regional Development of the agenda, time, and place of the meeting, indicating also the agenda, time, and place of the council meeting which was not attended by the required number of councillors.

(3) If the number of the councillors referred to in Section 27, Paragraph two of this Law is not present at a repeated current council meeting, the chairperson of the meeting shall convene the next repeated current council meeting in compliance with the procedures laid down in Paragraphs one and two of this Section.

(4) If a chairperson and deputy chairperson of a council fail to convene a repeated current council meeting in accordance with Paragraph one or three of this Section, it may be convened by at least one-third of the councillors. The council meeting shall be chaired by the councillor who first signed the notice on convening the council meeting.

(5) If a chairperson and deputy chairperson of a council fail to convene a repeated current council meeting in the case referred to in Paragraph three of this Section, it may be also convened by the Minister for Environmental Protection and Regional Development. An executive director of the local government shall, within three working days, prepare a draft agenda of a current council meeting and send it to the Minister for Environmental Protection and Regional Development with a request to convene a current council meeting. The Minister for Environmental Protection and Regional Development shall, within three working days after receipt of the abovementioned information, convene a current council meeting, determining its agenda and time and place of the meeting. If a chairperson and deputy chairperson of a council fail to attend a repeated current council meeting, the councillors present shall appoint a chairperson of the meeting from among themselves.

(6) The local government by-law, sustainable development strategy, development programme, spatial plan and amendments thereto, the issues referred to in Section 10, Paragraph one, Clauses 11 and 12 of this Law, the matters on the appointment to office of the heads of local government institutions, and also the matter on the revocation of the mandate of the councillor shall not be examined at the next repeated current council meeting convened in accordance with the procedures specified in Paragraph three of this Section. The council shall take the decision by a majority vote of the councillors present.

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**Section 33. Use of an Online Video Conferencing Conversation Tool at a Council Meeting**

(1) A council may provide in the local government by-law for cases when a council meeting may be held remotely by using an online video conferencing conversation tool.

(2) A chairperson of a council may determine that a councillor participates in an on-site council meeting remotely using an online video conferencing conversation tool if this is provided for in the local government by-law and if the councillor is not able to arrive at the place of the meeting in person:

1) a current council meeting due to a health condition or official travel;

2) an extraordinary council meeting.

(3) A councillor shall be considered present at the council meeting and is entitled to participate in the voting without being present at the location of the meeting if he or she has registered for participation in the council meeting, a technical possibility to participate in the meeting using an online video conferencing conversation tool and electronic voting online have been ensured to him or her.

(4) The procedures for the use of an online video conferencing conversation tool at a council meeting, including the procedures for a councillor to register for the participation in the council meeting and to vote, and the procedures for ensuring the openness of the council meeting and the possibility for participants of the council meeting who are not councillors to speak on the matters to be discussed at the council meeting shall be laid down in the rules of procedure of the local government.

**Section 34. Agenda of a Council Meeting**

(1) The matters on the agenda of a council meeting shall be examined by the council in the sequence they are indicated. The sequence of matters on the agenda of the council meeting may be changed if more than half of the councillors vote in favour.

(2) The agenda of a council meeting may be amended by excluding matters or supplementing the agenda with new matters if at least two thirds of the councillors vote in favour. The agenda of an extraordinary council meeting may not be amended, except for the cases laid down in law.

**Section 35. Voting Procedures**

(1) Voting at council meetings shall be open. A council may decide to use an electronic voting tool if the authentication of each councillor and the openness of voting are ensured by providing it in the rules of procedure of the local government.

(2) Voting for the candidates nominated for the position of a chairperson, deputy chairperson, and executive director of a local government council shall take place by using ballot papers simultaneously for the nominated candidates for each position.

**Section 36. Submission of Draft Decisions of a Council**

(1) A draft decision for examination at a council meeting may be submitted by:

1) a chairperson of the council;

2) a committee of the council;

3) a councillor of the council;

4) the initiator of an extraordinary council meeting;

5) an executive director of the local government;

6) the inhabitant council.

(2) The procedures for the preparation, submission, registration, and also examination of a draft decision of a council by the local government authorities, including the preliminary examination of the legitimacy and compliance thereof with the local government budget, and also the receipt of an opinion from the committees of the council, shall be laid down in the rules of procedure of the local government. The procedures for advancement of a draft decision of the council laid down by a local government may be waived for a draft decision to be examined at an extraordinary council meeting and also at a current council meeting referred to in Section 28, Paragraph 1.1 or 1.2 or Section 32 of this Law or for a draft decision on the election (appointment) or removal (dismissal) of an official of the local government council or administration.

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**Section 37. Taking Decisions of a Council**

(1) A decision of a council shall be considered taken if more than half of the councillors present vote in favour and if it is not laid down otherwise in law.

(2) If the necessary number of votes in favour of a draft decision is not received, the draft decision shall be considered rejected. In such case the draft decision may be submitted repeatedly by having regard to the provisions laid down in Section 36 of this Law.

(3) A council is not entitled to amend a draft decision submitted by the subject referred to in Section 30, Paragraph one, Clauses 2 and 3 of this Law, except when the proposal to amend the draft decision is submitted by the relevant subject or an authorised representative thereof.

(4) A councillor shall be deemed to be present during voting if he or she has voted in favour, against, or abstained.

(5) The chairperson of a council meeting shall sign a decision of the council within five working days from the date of taking the decision. In the absence of the chairperson of the council meeting, the acting chairperson of the council meeting shall sign the decision of the council.

(6) The chairperson of a council meeting has the right to refuse to sign a decision of the council. In such a case, the chairperson of the council has the obligation to convene an extraordinary council meeting during which the relevant decision shall be examined repeatedly. The chairperson and the deputy chairperson of the council shall not be permitted to exercise the right to refuse to sign a decision of the council in respect of a decision of the council revoking an order of the chairperson or deputy chairperson of the council, appointing or dismissing the chairperson or deputy chairperson of the council.

**Section 38. Process of a Council Meeting**

(1) The chairperson of a council meeting shall chair the council meeting in accordance with the procedures laid down in the rules of procedure of the local government.

(2) The process of a council meeting shall be recorded and an audiovisual recording thereof shall be made.

(3) The minutes of a council meeting shall include the following:

1) the place and time of convening the meeting, whether it is a current or extraordinary meeting, an open or a closed meeting;

2) the time of opening and closing of the meeting;

3) the agenda of the meeting;

4) the given name, surname, and position of the chairperson of the meeting and of the minute taker of the meeting;

5) the given names and surnames of the councillors present and absent;

6) the reason for the absence of a councillor who is not present at the meeting if the councillor has notified of such absence;

7) the given name, surname, and position of the persons who were allowed to address the meeting (if applicable);

8) the proposals and requests submitted, and also the orders of the chairperson of the meeting;

9) the decisions taken indicating with how many votes a decision was taken;

10) which councillors voted for or against the relevant decision and which abstained from voting or did not take part therein;

11) the given name and surname of the councillors who have spoken on the grounds for the vote;

12) upon request of a councillor, a summary of the opinion expressed or expression on the grounds for the vote given thereby;

13) other information laid down in the rules of procedure of the local government.

(4) The chairperson of the council meeting and the minute taker of the meeting shall sign the minutes of the meeting within five working days after the council meeting. In the absence of the chairperson of the council meeting or the minute taker of the meeting, the minutes of the council meeting shall be signed by the acting chairperson of the council meeting.

(5) Within five working days after signing the minutes of a council meeting, a councillor has the right to submit in writing to the chairperson of the council his or her opinion on a matter discussed at the council meeting. The opinion of the councillor shall be attached to the minutes of the council meeting and shall become an integral part of the minutes of the council meeting.

(6) The decisions of the council, the minutes of the council meeting, and also the audiovisual recording of the council meeting shall be publicly accessible by having regard to the restrictions on access to information laid down in law. The decisions of the council and the minutes of the council meeting shall be published on the official website of the local government within three working days after signing thereof. The audiovisual recording of the council meeting shall be posted on the official website of the local government within five working days after the council meeting.

(7) The maximum storage period of audiovisual recordings of the council meeting on the official website of the local government shall be five years.

**Section 39. Competence of Committees**

(1) In accordance with the procedures laid down in the rules of procedure of a local government, a committee shall:

1) prepare draft decisions of the council, examine the received draft decisions of the council and other matters before inclusion thereof on the agenda of a council meeting;

2) provide opinions on matters falling within the competence of the committee;

3) fulfil other obligations.

(2) The council shall establish the finance committee, the development committee and committees responsible for social, educational, and cultural matters. The council may also establish other committees.

(3) In addition to the obligations referred to in Paragraph one of this Section, the finance committee shall:

1) provide an opinion on the draft local government budget;

2) provide an opinion on amendments to the local government budget and also on priorities in the division of resources if the revenue part of the budget is not fulfilled;

3) provide an opinion on projects that involve the expenditure of the financial resources of the local government and also on draft decisions of the council if the enforcement of such decisions involves unforeseen budget expenditures or amendments to the revenue part of the budget;

4) provide proposals for the management of local government property;

5) provide proposals for and opinions on the alienation of local government immovable property;

6) fulfil other obligations laid down in the local government by-law.

**Section 40. Chairperson of a Committee and Deputy Chairperson of a Committee**

(1) A chairperson of a committee, except for the chairperson of the finance committee, shall be elected from among the committee members, and shall also be released from the fulfilment of obligations by the relevant committee. The chairperson of the committee shall be elected if the candidate has received more than half of the votes of the councillors present. A councillor may concurrently be the chairperson of not more than two committees.

(2) The finance committee shall be chaired by the chairperson of the council. During the absence of the chairperson of the council, the finance committee shall be chaired by the deputy chairperson of the council.

(3) In accordance with the procedures laid down in the rules of procedure of the local government, the chairperson of the committee shall:

1) prepare matters for the examination at a council meeting;

2) convene and chair a committee meeting;

3) ensure that the decisions of the committee are recorded in the minutes of the committee meeting;

4) ensure that the draft decisions, opinions, and proposals prepared by the committee are submitted to the chairperson of the council;

5) report on matters falling within the competence of the committee during a council meeting, unless the committee has agreed that another member of the committee shall report thereon.

(4) The chairperson of the committee may have a deputy who shall be elected in accordance with the procedures laid down in Paragraph one of this Section. The deputy chairperson of the committee shall replace the chairperson of the committee during the period absence thereof, and also perform other obligations laid down in the local government by-law.

**Section 41. Committee Meeting**

(1) A committee meeting shall be open. A committee meeting or part thereof shall be declared closed in accordance with that laid down in Section 27, Paragraph four of this Law.

(2) The agenda, the materials to be discussed, the time and place of a committee meeting shall be notified to the councillors in accordance with the procedures laid down in the rules of procedure of the local government. After convening the meeting, the notice on the agenda, time and place of the committee meeting shall be published immediately on the official website of the local government.

(3) A member of the committee has the right to submit proposals to the chairperson of the committee on the matters to be discussed at the committee meeting, and the chairperson of the committee has the obligation to include the relevant matter in the agenda of the next committee meeting.

(4) A committee meeting shall take place if the meeting is attended by more than half of the members of the committee.

(5) The council may, having regard to that laid down in Section 33 of this Law, provide for the remote conduct of a committee meeting or for the remote participation of a member of the committee in an on-site committee meeting by using an online video conferencing conversation tool.

(6) Decisions shall be taken by a majority vote of the committee members present. In the event of a tied vote, the deciding vote shall be that of the chairperson of the committee.

(7) The process of a committee meeting shall be recorded, and also an audio recording or an audiovisual recording thereof shall be made. The chairperson of the committee and the minute taker of the meeting shall sign the minutes. The following entries shall be made in the minutes of the committee meeting:

1) the time of opening and closing of the meeting;

2) the given name and surname of the members of the committee present at the meeting;

3) the given name and surname of other persons present at the meeting;

4) the given name and surname of the chairperson of the meeting;

5) the given name and surname of the minute taker of the meeting;

6) the type of the meeting (open or closed);

7) the agenda examined;

8) the decisions taken and the results of the voting, indicating which councillors voted for or against the relevant decision and which abstained or did not take part in the voting.

(8) Minutes of the committee meeting, and also the audio recording or audiovisual recording of the committee meeting shall be publicly accessible by having regard to the restrictions on access to information laid down in law. The minutes of the committee meeting shall be published on the official website of the local government within three working days after signing thereof. The storage period of an audio recording or an audiovisual recording in the storage facility of the authority shall be five years.

**Section 42. Extraordinary Committee Meeting**

(1) An extraordinary committee meeting shall be convened by the chairperson of the committee on his or her own initiative or upon request of the chairperson of the council or at least one third of the members of the committee.

(2) An extraordinary committee meeting shall be convened within 24 hours after receipt of the request.

(3) After convening the meeting, the notice on the agenda, time and place of an extraordinary committee meeting shall be published on the official website of the local government.

**Section 43. Joint Meeting of Committees**

(1) The committees may hold a joint meeting and examine a matter within the competence of the committees by having regard to the requirements of Section 41 of this Law and the procedures laid down in the rules of procedure of the local government. After convening the committee meeting, the notice on the agenda, time and location of the joint meeting of committees shall be published immediately on the official website of the local government.

(2) A joint meeting of committees shall be convened and chaired by the chairperson of the committee which proposed to convene the joint meeting or the chairpersons of committees may agree on another chairperson from among themselves. The joint meeting of committees shall be chaired by the chairperson of the council if the finance committee participates in the meeting.

(3) A joint meeting of committees shall take place if the meeting is attended by more than half of the members of the committee.

(4) Matters discussed at a joint meeting of committees may not be discussed repeatedly at a committee meeting.

**Chapter V**

**Legal Acts of a Local Government**

**Section 44. Binding Regulations**

(1) A council shall issue binding regulations in conformity with the mandate included in the law or in the Cabinet regulations.

(2) A council may issue binding regulations in order to ensure the performance of autonomous functions and voluntary initiatives of the local government in compliance with the procedures for the performance of the functions provided for in laws or the Cabinet regulations.

(3) Binding regulations ensuring the performance of autonomous functions of a local government may provide for the right of the local government to issue administrative acts laying down legal obligations, insofar as they are necessary for the implementation of the norms included in the binding regulations.

**Section 45. Binding Regulations for the Violation of which Administrative Liability may be Provided**

(1) A council is entitled to issue binding regulations and to provide for administrative liability for the violation thereof by laying down administrative offences and administrative penalties applicable thereto, unless it is laid down otherwise in law, in the following matters:

1) regarding ensuring public order in public places;

2) regarding the use of local government territories for public use, for example, parks, squares, playgrounds for children, stadiums, bathing sites, and cemeteries;

3) regarding the maintenance of territories and structures, insofar it is related to public safety, maintenance of sanitary cleanliness, and preservation of the urban landscape;

4) regarding the maintenance of territories for public use adjoining properties (footpaths and grassed territories to the edge of the road, except for the public transport stops);

5) regarding the protection of local government green areas and plantings for public use;

6) regarding the entry of vehicles in special regime areas specified in the spatial plan of the relevant local government to improve road traffic safety, ensure public health, public order and safety, and also to protect nature, specially protected cultural and historical territories, and cultural monuments;

7) regarding the protection and maintenance of forests and waters transferred for public use and owned by the local government, and specially protected natural and local cultural objects of the local government.

(2) A council is entitled to lay down administrative penalties for the violation of binding regulations, unless it is laid down otherwise in law, in the following matters:

1) regarding non-conformity with the requirements for the operation, use, and protection of the centralised water supply system and centralised sewerage system, and also the provision and use of water management services, except for the matters regarding the content, conclusion, amendment, and termination of a contract on water management services;

2) regarding street sale and trade in the market;

3) regarding restrictions on the time and place of retail trade in alcoholic beverages;

4) regarding the placement of advertising materials and other informative materials in public places and places facing a public place;

5) regarding the welfare of domestic (pet) animals;

6) regarding additional requirements for the operation and maintenance of an amelioration system for common use of local government significance.

**Section 46. Development of Binding Regulations**

(1) When drafting binding regulations, they shall be accompanied by an explanatory memorandum containing the initial impact assessment of the binding regulations. When assessing the initial impact of the draft regulations, the following shall be assessed:

1) the purpose and justification for the necessity thereof, including by describing the possible alternatives which do not provide for the development of a legal regulation;

2) the fiscal impact on the local government budget, including the relevant calculations;

3) the social impact, impact on the environment, health of inhabitants, entrepreneurship environment in the territory of the local government, and also impact of the planned regulation on competition (current situation, market forecasts, and compatibility with free and fair competition);

4) the impact on administrative procedures and costs thereof in respect of performers of economic activities and natural persons, and organisations of non-governmental sector and in respect of authorities financed from the budget;

5) the impact on the functions and human resources of the local government;

6) ensuring enforcement;

7) the proportionality of the requirements and costs to the benefits of achieving the objective;

8) the consultations with private individuals and authorities within the development process, including the information referred to in the Paragraph three of this Section.

(2) In drawing up draft binding regulations regarding local government fees, the information on the planned effect of the draft on the local government budget shall not be included in an explanatory memorandum.

(3) The draft binding regulations and the explanatory memorandum attached thereto shall be published on the official website of the local government in accordance with the procedures laid down in the local government by-law for the purpose of ascertaining the public opinion by providing a time limit which is not less than two weeks. The local government shall summarise the opinions received on the draft binding regulations and reflect them in the explanatory memorandum to the draft regulations.

(4) The procedures laid down in this Section shall not apply to the draft binding regulations regarding the local government budget and to the draft regulations in the field of spatial planning. Draft binding regulations shall be published on the official website of the local government not later than three working days before a current council meeting or not later than three hours before an extraordinary council meeting.

**Section 47. Proclamation and Coming into Force of Binding Regulations**

(1) The binding regulations and the explanatory memorandum thereof shall be proclaimed by publishing them in the official gazette *Latvijas Vēstnesis*. The binding regulations shall come into force on the next day after proclamation thereof, unless another time of coming into force has been specified in the regulations. The local government shall send the binding regulations and the explanatory memorandum thereof for proclamation in the official gazette *Latvijas Vēstnesis* within three working days after signing these documents, except for the binding regulations referred to in Paragraph two of this Section and the binding regulations in the field of spatial planning.

(2) Within three working days after signing, the council shall send in writing the binding regulations referred to in Section 45 of this Law, and also the binding regulations regarding matters of social security and protection of the rights of the child and regarding the rates of taxes and fees of the local government and the explanatory memorandum thereof to the Ministry of Environmental Protection and Regional Development for the provision of an opinion, or in the case of the binding regulations and the explanatory memorandum thereof laid down in another law – to the ministry specified in the relevant law. The ministry shall, within one month after receipt of the binding regulations, assess their lawfulness and send the relevant opinion to the local government.

(3) If, upon receipt of the binding regulations for the provision of an opinion, the Ministry of Environmental Protection and Regional Development determines that the opinion of the sectoral ministry is necessary thereon, the Ministry of Environmental Protection and Regional Development shall, having regard to the time limit for the provision of an opinion specified in Paragraph two of this Section, send the relevant request to the sectoral ministry. The sectoral ministry shall provide the opinion within two weeks. The Ministry of Environmental Protection and Regional Development shall use the opinion of the sectoral ministry for the preparation of its opinion. The local government is entitled to request the opinion of the sectoral ministry on the binding regulations before sending them to the Ministry of Environmental Protection and Regional Development in accordance with the procedures laid down in Paragraph two of this Section. In such case, the opinion provided by the sectoral ministry shall be sent by the local government together with the binding regulations to the Ministry of Environmental Protection and Regional Development.

(4) If there are no objections in the opinion of the Ministry of Environmental Protection and Regional Development against the lawfulness of the binding regulations, the local government shall, within three working days after receipt of the opinion, send the binding regulations and the explanatory memorandum thereof for proclamation in the official gazette *Latvijas Vēstnesis*. Such procedures shall also be applied in the case when the opinion has not been sent to the local government within the time limit laid down in law.

(5) If the opinion of the Ministry of Environmental Protection and Regional Development in which unlawfulness of binding regulations or certain norms thereof is substantiated has been received, the local government shall update the binding regulations in conformity with the opinion and shall resend them to the ministry for the provision of an opinion in accordance with the procedures laid down in Paragraph two of this Section.

(6) If a council disagrees with the opinion of the Ministry of Environmental Protection and Regional Development in whole or in part, the council shall, within two months after receipt of the opinion, take a decision which provides the justification, and also shall, within three working days after signing the decision, send the binding regulations and the explanatory memorandum thereof to the ministry which provided the opinion, to the Ministry of Environmental Protection and Regional Development and for proclamation in the official gazette *Latvijas Vēstnesis*. The local government shall also send the abovementioned decision of the council to the ministry that provided the opinion and to the Ministry of Environmental Protection and Regional Development.

(7) After the time limits specified in Paragraph six of this Section, the local government is not entitled to publish the relevant binding regulations.

(8) The local government may also publish the proclaimed binding regulations in the informative publication or on the official website of the local government, while concurrently ensuring conformity with the official publication, and also indicate the reference to the official publication (date and number of the issue or the number of the official publication, but in the electronic environment a link to the specific official publication shall be added additionally).

**Section 48. Binding Regulations Regarding a Local Government Budget and Spatial Planning**

(1) The development of the binding regulations regarding the local government budget shall be governed by the law On Local Government Budgets.

(2) Concurrently with sending the binding regulations regarding the local government budget and the explanatory memorandum thereof for proclamation in accordance with the procedures laid down in Section 47, Paragraph one of this Law, the local government shall also send them to the Ministry of Environmental Protection and Regional Development for information.

(3) The development of binding regulations in the field of spatial planning and the procedures for their supervision shall be governed by the Spatial Development Planning Law.

**Section 49. Local Government By-law**

(1) The local government by-law shall be binding regulations which determine the institutional system and organisation of the work of the local government, including:

1) the administrative structure of the local government;

2) the procedures for the conclusion of contracts governed by public law;

3) the procedures for contesting administrative acts issued by the local government administration;

4) the procedures by which councillors and local government administration accept visitors and examine submissions;

5) the procedures by which an official of the local government acts with the property and financial means of the local government;

6) the procedures by which the local government cooperates with civil society organisations (associations and foundations) and ensure involvement of society in the work of the local government;

7) the procedures for organising a public discussion;

8) the procedures by which the inhabitants may attend meetings of the council and its committees;

9) other matters laid down in law.

(2) Concurrently with sending the local government by-law and the explanatory memorandum thereof for proclamation in accordance with the procedures laid down in Section 47, Paragraph one of this Law, the local government shall also send them to the Ministry of Environmental Protection and Regional Development for information.

**Section 50. Internal Legal Acts**

(1) A council and a local government administration shall issue internal legal acts in accordance with the procedures laid down in law.

(2) A council shall issue the rules of procedure of a local government and, within three working days after coming into force thereof, publish the regulations on the official website of the local government. The rules of procedure of the local government determine the following:

1) the organisational and technical servicing of the council and the authorities established thereby, except for the institutions;

2) the procedures for holding council meetings;

3) the procedures for issuing internal legal acts;

4) the procedures for organising transfer of records and documents to the new chairperson of the council in the case of a change of the chairperson of the council;

5) the procedures for the conclusion of contracts governed by private law;

6) other matters laid down in this Law.

**Chapter VI**

**Involvement of Society in the Work of a Local Government**

**Section 51. Purpose of and Conditions for the Involvement of Society**

(1) The purpose for the involvement of society is to promote efficient, open, and accountable work of a local government and the conformity of such work with the interests of the inhabitants of the administrative territory.

(2) If the procedures for the involvement of society is determined by other laws or Cabinet regulations, the types of involvement of society specified in this Law need not be applied.

(3) A council has the right and, in the cases laid down in law, also the obligation to organise consultations with the inhabitants, and also to determine the types of involvement of society not specified in this Law in order to promote conforming with the interests of the inhabitants of the administrative territory of the local government and the sustainable development of the local government.

(4) In its activities, a local government shall support civil society organisations (associations and foundations) operating in the administrative territory of the local government.

(5) A local government shall provide the society with truthful and objective information by using various communication channels as much as possible.

**Section 52. Informative Publications**

(1) A local government is entitled to issue an informative publication – a periodic printed publication where it informs the local inhabitants of the performance of the autonomous functions and voluntary initiatives of the local government, and also publishes the information laid down in this Law and other legal acts. The local government shall also publish the information included in the informative publication electronically on its official website by indicating the reference to the date and number of publication of the informative publication. The provisions of this Section shall also apply to the republishing of the informative publication in electronic format.

(2) The informative publication shall be issued not more than once a month. This restriction shall not apply to informative publications which only include information on draft binding regulations prepared by a local government, issued legislative acts and explanations thereof, and also information in an emergency situation, a state of exception, a disaster, or a threat of disaster.

(3) The requirements for the visual design of the informative publication shall be determined by the Cabinet.

(4) Only the information referred to in this Section shall be published on the informative publication, and it shall be available free of charge. The costs of producing and distributing the informative publication shall be covered from the local government budget.

**Section 53. Advisory Councils and Commissions**

(1) In order to involve society in the performance of certain functions or tasks of a local government, the local government may establish advisory councils and commissions. Members of an advisory council or commission may include councillors.

(2) The necessity for the establishment of an advisory council or commission, and also its competence, composition, and organisation of the work shall be determined by law, a decision of the council, or by-laws taken by the council.

(3) Remuneration for the work in an advisory council or commission may be determined in conformity with the Law on Remuneration of Officials and Employees of State and Local Government Authorities and shall be covered from the local government budget.

(4) The requirements laid down in Section 41, Paragraph one of this Law shall be applied to the meetings of advisory councils and commissions. Minutes shall be taken during the meetings of advisory councils and commissions and the minutes shall be published on the official website of the local government.

(5) Information on the time and agenda of a meeting of an advisory council or commission, except for the commission established on the basis of other laws, shall be published on the official website of the local government no later than three working days before the meeting or, if it is impossible to comply with the time limit, immediately after the meeting is convened by having regard to the restrictions on access to information laid down in law.

**Section 54. Public Discussion**

(1) In order to promote the involvement of inhabitants in the decision-making on matters of local importance and to respect the interests of the inhabitants, a local government shall organise a public discussion on matters falling within the autonomous competence thereof.

(2) A public discussion shall be held on the initiative of the inhabitants of the administrative territory of the local government, the inhabitant council, the council, or the chairperson of the council and on the basis of a decision of the council. If the public discussion is initiated by the inhabitants, the local government may determine the minimum number of inhabitants required for such discussion.

(3) A public discussion shall be organised by taking into account that provided for in this Law and other laws and Cabinet regulations regarding the procedures for the involvement of society in the development planning process of a local government. Expenses related to the organisation of the public discussion shall be covered from the local government budget.

(4) The proposal for organising a public discussion shall be signed by the submitter thereof and shall be accompanied by a draft matter or document to be proposed for the discussion. If the public discussion is initiated by a council, the relevant draft document shall be attached to the decision of the council.

(5) A public discussion shall not be organised regarding the local government budget, local government service fees, rates of taxes and fees, appointment and dismissal of local government officials, matters of internal organisation of the work of the local government, and also matters that are within the competence of other authorities.

**Section 55. Conduct of Public Discussion**

(1) The duration of public discussion shall be at least 30 days. A local government shall prepare the notice on a public discussion by specifying the matter to be discussed, justification thereof and the discussion period, and shall send the notice for publication in the official gazette *Latvijas Vēstnesis* not later than three working days before the start of public discussion.

(2) The document transferred for a public discussion and the related decisions of a local government shall be publicly available throughout the period of the public discussion and for at least one year after the approval of the summary of the public discussion.

(3) A council shall determine the procedures for ensuring public access to the information referred to in Paragraphs one and two of this Section in person in the building of the central administration body, on the official website of a local government by having regard to the requirements of the Cabinet for placing information on the website and in other places determined by the local government.

(4) A participant of a public discussion has the right to express his or her opinion on the matter submitted for discussion in an oral or written form.

(5) A local government has the obligation to summarise the opinions expressed and to prepare a summary of the results of a public discussion by indicating also the reasons for the rejection of the opinions not taken into account. A council or a local government authority authorised thereby shall approve the summary and make it public within three working days in accordance with the procedures laid down in Paragraph three of this Section.

(6) A council shall, within one month after approval of the summary of a public discussion, decide on the document submitted for public discussion.

(7) Repeated public discussion on the document transferred for public discussion may be held no earlier than one year after the approval of the summary of the respective public discussion.

**Section 56. Collective Submission**

(1) Citizens of the Republic of Latvia who on the date of submitting the submission have attained 16 years of age and whose place of residence has been declared in the administrative territory of the local government or who in this territory own immovable property registered in accordance with the procedures laid down in law are entitled to submit a collective submission to the local government on matters falling within the competence thereof.

(2) The number of submitters of a collective submission shall be determined as follows:

1) in the municipality government – according to the number of inhabitants registered in the administrative territory of the local government according to the current data of the Register of Natural Persons on 1 January of the respective year:

a) up to 15 000 inhabitants – 100 submitters;

b) from 15 000 up to 30 000 inhabitants – 200 submitters;

c) more than 30 000 inhabitants – 300 submitters;

2) in the city government, except for the Rīga city government – 300 submitters;

3) in the Rīga city government – 2000 submitters.

(3) The collective submission shall specify that it is a collective submission and shall contain a request addressed to the local government and a brief justification thereof, and also shall specify the natural person authorised to represent the submitters of the collective submission, his or her address and contact information. A signatory of the collective submission shall legibly indicate his or her given name, surname, and personal identity number. Signatures for the collective submission may also be collected electronically if the identification of signatories and protection of personal data are ensured.

(4) A collective submission may not include a request which is clearly unacceptable in a democratic society or clearly offensive. The collective submission may not undermine values of human dignity, freedom, democracy, equality, the rule of law, and human rights, including rights of minorities.

(5) If a collective submission has been sent electronically, technical information which confirms the signing of the collective submission and allows to ascertain the number of signatories, the given name, surname, and personal identity number of each signatory shall be also submitted.

(6) The Office of Citizenship and Migration Affairs shall, by 31 January of the respective year, ensure the availability of statistical data to local governments on the number of persons declared and registered in the administrative territory of a local government on 1 January of the respective year.

**Section 57. Examination of a Collective Submission**

(1) Upon receipt of a collective submission, a local government shall, within seven working days, assess the conformity thereof with the requirements of this Law. If necessary, within three working days after receipt of the collective submission, the local government shall electronically transfer the data of the signatories of the collective submission to the Office of Citizenship and Migration Affairs for the verification of the conformity of signatories with the requirements of Section 56, Paragraph one of this Law. If the submission meets the abovementioned requirements, the chairperson of the council shall ensure the inclusion thereof on the agenda of the next current council meeting and the examination thereof. The natural person authorised to represent the submitters of the collective submission and representatives of the authorities affected by the request included in the collective submission shall be invited to the relevant council meeting.

(2) The person authorised to represent the submitters of the collective submission has the right to report on the collective submission at the council meeting during which it is being examined, and also to participate in the discussion (debate) thereof in accordance with the procedures laid down by the council. A local government may also involve another local government authority in the examination of the collective submission of the abovementioned persons.

(3) According to the content of the collective submission, a council shall decide on the further course of the submission by determining the local government authority responsible for it.

(4) The responsible local government authority has the obligation to report on the progress of the collective submission at the council meeting within three months from the date of taking the decision of the council referred to in Paragraph three of this Section.

(5) A local government has the obligation to collect and publish on the official website of the local government, at least once every three months, up-to-date information on the progress of the collective submission and the results of the examination thereof, and also to inform thereof the person authorised to represent the submitters of the collective submission.

(6) If a local government, within the time limit referred to in Paragraph one of this Section, establishes that the submitted document does not meet the requirements for a collective submission laid down in this Law, the local government shall provide a reply to the submission in accordance with the procedures laid down in the Law on Submissions.

**Section 58. Inhabitant Council**

(1) In order to ensure the representation of the interests of the inhabitants of local communities and the development of the territory of the local government by promoting mutual cooperation and coordinated action of the inhabitants for the common good, advisory local government authorities may be established in the local government – inhabitant councils (hereinafter – the inhabitant council).

(2) The inhabitant council shall examine matters arising from the functions of the local government specified in Section 4, Paragraph one, Clauses 2, 5, and 12 of this Law which affect the interests of the inhabitants of the territory of operation of the inhabitant council, and shall submit draft decisions for examination by the council. The council has the obligation to ascertain the opinion of the inhabitant council before taking a decision on changes in the procedures for the performance of the local government functions referred to in this Section which can affect the interests of the inhabitants of the territory of operation of the inhabitant council.

(3) A natural person who has attained 16 years of age and is a citizen of the Republic of Latvia or a citizen of the European Union who is not a citizen of the Republic of Latvia but is registered in the Register of Natural Persons may become a member of the inhabitant council.

(4) A member of the inhabitant council may not be a councillor, an executive director of the local government and his or her deputy.

(5) Natural persons who have attained 16 years of age and are citizens of the Republic of Latvia or citizens of the European Union who are not citizens of the Republic of Latvia but are registered in the Register of Natural Persons are entitled to elect the inhabitant council. Other preconditions related to the place of residence or property ownership for participation in the election of the inhabitant council may be laid down in the by-laws of the inhabitant council.

(6) A council shall issue the by-laws of the inhabitant council – binding regulations which determine the conditions for the establishment and operation of the inhabitant council, including:

1) the competence of the inhabitant council to decide on local community matters in addition to that laid down in this Law;

2) the territory of operation of the inhabitant council;

3) the number of members of the inhabitant council and the procedures for the nomination of candidates from among the inhabitants of each territory referred to in Clause 2 of this Paragraph by ensuring the possibility for the inhabitants to nominate their candidates;

4) the procedures for the election of the members of the inhabitant council by providing for the possibility for the inhabitants to vote directly for the candidates for the members of the inhabitant council;

5) the operational period of the inhabitant council;

6) the organisation of the work of the inhabitant council;

7) the procedures by which local government authorities examine the submissions of the inhabitant council.

**Section 59. Participatory Budget**

(1) A local government shall use the participatory budget to promote the participation of the inhabitants of the administrative territory of the local government in taking decisions on the development of the territory having regard to the requirements of this Law. The inhabitants of the administrative territory of the local government shall decide on the use of the participatory budget.

(2) A council shall provide for the financing of the participatory budget in the annual budget of the local government at least in the amount of 0.5 per cent of the average actual revenue of one year of personal income tax and immovable property tax of the local government calculated for the last three years.

(3) The participatory budget shall be divided into participatory budget planning units (territories) which shall be determined in the development programme of the local government. The participatory budget planning unit (territory) may be the entire administrative territory of the local government.

**Section 60. Submission and Selection of Participatory Budget Project Ideas**

(1) The financing of the participatory budget shall be used for territorial development projects proposed by society (hereinafter – the projects).

(2) The submission and selection of the projects shall be organised by the local government in each participatory budget planning unit.

(3) The following requirements shall be complied with in the development of a project:

1) the project applicant shall be a natural person who has attained 16 years of age or an association or foundation without the involvement of the local government;

2) the project provides for:

a) an investment in property owned by the local government, whereas investments in property owned by another public entity or private person – in the case when the consent of the respective owner has been obtained and the investment is necessary for the implementation of the autonomous functions or voluntary initiatives of the local government;

b) other actions of the local government which result in the improvement of the implementation of the autonomous functions or voluntary initiatives of the local government;

3) the investment in the project is economically justified, including by evaluating the maintenance of the investment and the financing necessary for its sustainability, and also the outcome of the project is widely accessible to the inhabitants.

(4) A vote shall be organised for the projects which meet the criteria laid down in this Law. The natural persons declared in the administrative territory of the local government who have attained at least 16 years of age may participate in the vote.

**Section 61. Participatory Budget By-law**

The participatory budget by-law are the binding regulations which determine the use of the participatory budget, including:

1) the local government authority that ensures the selection of projects and monitors the use of the participatory budget;

2) the sample of the project application;

3) the time limit for the submission of projects of not less than 30 days;

4) the selection criteria for the projects;

5) the method of voting (in person, electronically) and the procedures thereof;

6) a voting period of not less than 14 days;

7) the counting of votes and identification of the projects to be implemented.

**Section 62. Implementation of the Participatory Budget Projects**

(1) The project shall be implemented by a local government.

(2) The project shall be commenced within three months after announcement of the results of the call for proposals and shall be implemented within two years.

**Section 63. Local Government Referendum**

A local government is entitled to organise a local government referendum in accordance with the procedures laid down in law.

**Chapter VII**

**Control of Local Government Activities and Restrictions on Combining Offices**

**Section 64. Monitoring of Local Government Activities**

(1) The Ministry of Environmental Protection and Regional Development shall monitor local government activities in conformity with this Law.

(2) State administration institutions and officials who, in cases provided for and in accordance with procedures laid down in laws, monitor the lawfulness of local government activities, including in matters of social security and protection of the rights of the child, and establish that local government authorities or officials fail to comply with or violate external legal acts or fail to enforce court judgments, have the obligation to notify the Ministry of Environmental Protection and Regional Development thereof immediately.

**Section 65. Control of the Lawfulness of Binding Regulations**

(1) The Ministry of Environmental Protection and Regional Development has the right to evaluate the lawfulness of any binding regulations, except for the binding regulations regarding the local government budget and binding regulations regarding spatial planning, in accordance with the procedures laid down in this Section, and to send the relevant opinion to the local government if the Ministry has not provided an opinion on binding regulations in accordance with the procedures laid down in Section 47 of this Law.

(2) If a sectoral ministry or another State authority, in conformity with the competence thereof, establishes unlawfulness of binding regulations of a local government or separate provisions thereof, it shall inform the local government and the Ministry of Environmental Protection and Regional Development in writing by sending a duly reasoned opinion.

(3) If an opinion is received in which the unlawfulness of binding regulations or separate provisions thereof is justified, a local government shall evaluate the deficiencies included in the opinion, ensure the lawfulness of binding regulations and inform the institution which issued the opinion, and also the Ministry of Environmental Protection and Regional Development thereof by sending updated binding regulations within three working days after signing thereof.

(4) If a council disagrees with the opinion in whole or in part, the council shall, within six weeks after receipt of the opinion, take a decision in which it shall provide a justification and, within three working days after signing the decision, send it to the institution which has provided the opinion, and also to the Ministry of Environmental Protection and Regional Development.

(5) Within one month after receipt of the decision referred to in Paragraph four of this Section, the relevant sectoral ministry or another State authority shall provide an opinion to the Ministry of Environmental Protection and Regional Development on the grounds included in the decision and the lawfulness of the binding regulations or separate provisions thereof.

**Section 66. Suspension of Binding Regulations**

(1) The Minister for Environmental Protection and Regional Development may suspend the unlawful binding regulations or separate provisions thereof on the basis of a reasoned order. The order shall specify the provisions of the binding regulations to be revoked as unlawful, or shall specify that the binding regulations are to be revoked as a whole. The order shall be published in the official gazette *Latvijas Vēstnesis* within three working days after issuance thereof and shall be sent to the chairperson of the council who is responsible for enforcing the order. The binding regulations specified in the order or separate provisions thereof shall be suspended from the date of publication of the order.

(2) The chairperson of the council shall convene, within two weeks after receipt of an order from the Minister for Environmental Protection and Regional Development, an extraordinary council meeting for the examination of the matter on the revocation of the binding regulations or separate provisions thereof. The chairperson of the council shall immediately notify the Minister for Environmental Protection and Regional Development of the place and time of the extraordinary council meeting by sending a notice to the official electronic address of the Ministry of Environmental Protection and Regional Development.

(3) If the council does not take the decision to revoke the relevant binding regulations or separate provisions thereof, it shall, within three months after receipt of an order from the Minister for Environmental Protection and Regional Development, submit an application to the Constitutional Court for the revocation of the order of the Minister. In such case the order of the Minister for Environmental Protection and Regional Development on the suspension of the binding regulations or separate provisions thereof shall remain in force until the proclamation of the judgment of the Constitutional Court.

(4) A council does not have the right to submit an application to the Constitutional Court for the revocation of an order of the Minister for Environmental Protection and Regional Development if it has not taken the decision referred to in Section 47, Paragraph six or Section 65, Paragraph four of this Law.

(5) If a council or the chairperson thereof fails to comply with the provisions of Paragraph two or three of this Section, the Minister for Environmental Protection and Regional Development shall issue an order to declare the unlawful binding regulations referred to Paragraph one of this Section or separate provisions thereof as null and void. The order shall be published in the official gazette *Latvijas Vēstnesis* within three working days after issuing thereof and the unlawful binding regulations or separate provisions thereof shall become invalid on the day following the publication of the order, unless a different time limit is specified in the order for the coming into force thereof. The order of the minister shall not be subject to appeal.

**Section 67. Control of the Lawfulness of Other Decisions of a Local Government**

(1) If the Ministry of Environmental Protection and Regional Development establishes that a decision taken by a council is unlawful, upon the proposal of the Minister for Environmental Protection and Regional Development, the council has the obligation to examine the decision repeatedly at the next council meeting and decide to revoke or amend the decision in whole or in part or to leave it unamended by indicating the grounds for such action in the decision of the council.

(2) The decision taken in accordance with the procedures laid down in Paragraph one of this Section shall be sent by the council to the Ministry of Environmental Protection and Regional Development within three working days after signing thereof.

(3) The requirements of this Section shall not apply to administrative acts.

**Section 68. Explanation of a Council**

The Minister for Environmental Protection and Regional Development may request from a local government an explanation if the local government authorities or officials fail to comply with or violate external legal acts or fail to exercise court judgments. The council has the obligation, within 20 days after having received the request from the Minister for Environmental Protection and Regional Development, to provide a written explanation regarding the grounds for the violation of external legal acts or failure to enforce court judgments by the council or another local government authority or official. The explanation of the council shall be signed by the chairperson of the council.

**Section 69. Suspension of a Chairperson of a Council from Fulfilment of the Duties of Office and Dismissal**

(1) The Minister for Environmental Protection and Regional Development may suspend a chairperson of a council from fulfilment of the duties of office on the basis of a justified order if the chairperson of the council fails to comply with or violates external legal acts or fails to enforce court judgements.

(2) Prior to issuing an order, the Minister for Environmental Protection and Regional Development shall request a chairperson of a council to provide a written explanation of any violations of external legal acts or of the grounds for non-enforcement of a court judgment. The chairperson of the council has the obligation to provide an explanation within five working days after receipt of the request. Failure to submit an explanation within the specified term shall be considered as refusal to submit an explanation. An explanation need not be requested for the violation referred to in Section 30, Paragraph six of this Law.

(3) The order of the Minister for Environmental Protection and Regional Development shall be published in the official gazette *Latvijas Vēstnesis* within three working days after issuing thereof. A chairperson of a council shall be deemed to be suspended from the fulfilment of the duties of office as of the date of publication of the order.

(4) Within one month after the publication of the order of the Minister for Environmental Protection and Regional Development, a chairperson of a council has the right to apply to the court for the revocation of the order. If the chairperson of the council does not exercise the right to apply to the court within the laid down time limit, he or she shall be deemed to have been dismissed.

(5) If the court rejects the application of a chairperson of a council for the revocation of the order of the Minister for Environmental Protection and Regional Development, the chairperson of the council shall be deemed to have been dismissed as of the date on which the court judgment comes into effect.

(6) A councillor who has been dismissed from the office of a chairperson of a council shall not be nominated repeatedly for the office of the chairperson of the council for the current term.

(7) If the order of the Minister for Environmental Protection and Regional Development is revoked by a court judgment, a chairperson of a council is entitled to receive the monthly wage for the period during which he or she was suspended from the fulfilment of his or her duties of office.

**Section 70. Dismissal of a Council**

(1) The *Saeima* may, according to the law, dismiss a council if it:

1) repeatedly fails to comply with or violates the Constitution of the Republic of Latvia, binding international legal acts, laws or Cabinet regulations, fails to enforce court judgments or fails to ensure the lawfulness of the activities of the local government administration, or commits significant violations of the abovementioned legal acts in its own activities or in the activities of the local government administration;

2) has not elected a chairperson, deputy chairperson, or committees of the council within two months or has not appointed an executive director of the local government within six months if the competition referred to in Section 21, Paragraph four of this Law has resulted in the nomination of a candidate who conforms to the requirements for the position;

3) is unable to take decisions due to the absence of the number of councillors specified in Section 27, Paragraph two of this Law at three consecutive current council meetings.

(2) A draft law regarding the dismissal of a council shall be submitted by the Cabinet to the *Saeima* upon its own initiative or on the basis of the proposal of the Prosecutor General.

(3) When adopting a law regarding the dismissal of a council, the *Saeima* shall appoint, in accordance with the proposal of the Cabinet, a temporary administration in the relevant administrative territory and shall determine the time limit within which it is necessary to hold the elections for a new council. The term of office of a temporary administration and a newly elected council shall be determined by the Law on the Election of Local Government Councils.

(4) A temporary administration shall perform the functions of the council provided for in laws and shall act until the day of the first meeting of the newly elected council.

(5) The temporary administration shall consist of at least three members, including the head of the temporary administration and his or her deputy. The head of the temporary administration shall exercise the mandate of a chairperson of a council laid down in legal acts.

(6) The temporary administration shall, not later than within five working days after commencement of its activities, adopt the rules of procedure of the temporary administration which shall determine the organisation of the work of the temporary administration, including:

1) the division of competences of the members by having regard to the areas of competence of the committees referred to in Section 39, Paragraph two of this Law;

2) the procedures for convening and holding meetings;

3) the organisational and technical servicing of the work;

4) the procedures for the preparation, submission, registration, and also examination of a draft decision by the local government authorities, including the preliminary examination of the legitimacy and conformity thereof with the local government budget.

(7) During the activities of the temporary administration, the by-laws and rules of procedure of a local government shall apply insofar as they do not contradict the rules of procedure of the temporary administration.

**Section 71. Restrictions on Councillors of a Local Government Council**

(1) In addition to the restrictions related to the combination of offices laid down in the law On Prevention of Conflict of Interest in Activities of Public Officials, a councillor may not, in the local government where he or she is elected:

1) hold the position of the executive director and deputy executive director, the head of a territorial administration and his or her deputy;

2) hold a position in the administration of the local government the duties of which includes the following:

a) preparation of draft decisions of the council;

b) verification of lawfulness and expediency of the decisions taken by the council;

c) control and supervision of the enforcement of the decisions taken by the council;

d) provision of advice and consultations to local government officials;

3) directly or indirectly provide services to the local government in matters referred to in Clause 2 of this Paragraph;

4) hold the position of the head of the local government institution or his or her deputy, except for the institution performing the autonomous functions of a local government specified in Section 4, Paragraph one, Clauses 4, 5, and 6 of this Law;

5) to hold the position of a member of the supervisory board or executive board of a local government capital company, such capital company in which the share of the local government in the equity capital, separately or together with other local governments, exceeds 50 per cent, and such capital company in which the share of one or more local government capital companies in the equity capital, separately or together, exceeds 50 per cent.

(2) In addition to the obligations of the head of the authority laid down in the law On Prevention of Conflict of Interest in Activities of Public Officials, the chairperson of the council shall ensure compliance with that laid down in Paragraph one of this Section.

**Chapter VIII**

**Local Government Property and Control of Actions with Local Government Property**

**Section 72. Local Government Property**

(1) The economic basis of a local government is the property thereof, including movable and immovable property, and financial resources.

(2) Local government property shall be segregated from State property and the property of other legal entities.

**Section 73. Use of Local Government Property**

(1) Local government property shall be used in the interests of the inhabitants of the administrative territory of the local government in conformity with the competence of the local government, both by transferring it for public use and by establishing institutions and by establishing capital companies or acquiring holding in capital companies.

(2) A local government which does not have control over the necessary infrastructure objects has the obligation to conclude a contract with another local government in accordance with the procedures laid down in law in order to ensure the performance of the functions provided for in law.

(3) A part of the property which is not necessary for the purposes referred to in Paragraph one of this Section may be used by a local government to gain revenues by means of economic activities or to alienate such part in accordance with the procedures laid down in law, or to provide support to a State authority for the performance of the functions thereof in the relevant administrative territory.

(4) A local government has the right to acquire and alienate movable and immovable property, and also to perform other actions under private law by having regard to that laid down in the law regarding the actions with financial means and property of a public entity.

(5)A residential house, a residential property or undivided shares thereof shall be under jurisdiction a local government in conformity with that laid down in Section 416 of the Civil Law as property without heirs or as an ownerless property in conformity with that laid down in Section 930 of the Civil Law.

(6) Property disputes between the State, other legal persons, natural persons and local governments shall be decided in court.

(7) In order to control actions with a local government property, a council may establish a separate commission or unit. The relevant commission or unit shall act in accordance with the by-laws issued by the council.

(8) A council or a person authorised thereby shall decide on the transfer of local government movable and immovable property between local government institutions.

**Section 74. Annual Statement, Consolidated Annual Statement, and Annual Public Statement of a Local Government**

(1) A council shall ensure the preparation and accessibility of the annual statement, the consolidated annual statement, and the annual public statement of a local government in conformity with the requirements of external legal acts.

(2) A council shall ensure the financial audit of the annual statement or consolidated annual statement. As regards the audit of the annual statement or the consolidated annual statement, the council shall decide on the conclusion of an audit services contract with a sworn auditor or a commercial company of sworn auditors and the costs for the services shall be covered from the funds provided in the budget of the local government.

(3) Within the scope of the audit referred to in Paragraph two of this Section, in conformity with the instructions of the State Audit Office, the financial audit shall also include other issues related to the use of funds and actions of a local government if the State Audit Office has informed the Latvian Association of Sworn Auditors thereof until 30 March of the reporting year.

**Section 75. Financial Control of a Local Government**

In order to supervise the activities of local governments in accordance with the procedures and within the scope laid down in this Law, the Ministry of Environmental Protection and Regional Development is entitled to invite a sworn auditor or a commercial company of sworn auditors for the performance of an extraordinary financial audit. The Ministry of Environmental Protection and Regional Development shall conclude an audit services contract with a sworn auditor or a commercial company of sworn auditors and the costs for the services shall be covered from the funds provided in the budget of the Ministry. The local government has the obligation to provide the information and documents necessary for the extraordinary financial audit in accordance with the procedures and within the time limits specified by the Ministry of Environmental Protection and Regional Development, and also by a sworn auditor or a commercial company of sworn auditors.

**Section 76. Performance Audit**

A council may decide on a performance audit to:

1) control the use of local government financial means in conformity with adopted budgets and estimates;

2) examine the lawfulness and appropriateness of the activities of the heads and officials of local government institutions and capital companies;

3) control whether the financial means and property of the local government are managed in conformity with the decisions of the council and the interests of inhabitants.

**Section 77. Internal Control System of a Local Government**

(1) A local government shall establish an internal control system.

(2) The purpose of an internal control system is to ensure the following for a local government:

1) effective, efficient, and economical operation in accordance with the competence, objectives, tasks, and available resources thereof;

2) acting in the public interest by promoting good governance;

3) preventing the possible risks of corruption and conflicts of interest;

4) preventing squandering, ineffective and inefficient use of property and financial resources;

5) identifying and correcting errors in a timely manner and making the necessary improvements;

6) obtaining reliable financial or management information in a timely manner and protecting against unauthorised disclosure.

(3) In order to ensure effective operation, an internal audit system shall be established to assess management, risk management and control in local governments. Local governments may cooperate for the performance of an internal audit.

**Chapter IX**

**Cooperation among Local Governments, Participation Thereof in Associations and Foundations**

**Section 78. Forms of Cooperation**

(1) Local governments shall cooperate by complying with that laid down in the State Administration Structure Law.

(2) Local governments have the right to establish joint associations, institutions and commissions, and also to participate therein.

(3) Local governments and local government associations may cooperate with local governments of other countries, their associations and other foreign authorities, provided that such cooperation is not contrary to legal acts, international obligations and conforms to the unified national foreign policy. Prior to initiating cooperation with foreign local governments, local government associations and other foreign authorities, local governments shall consult with the Ministry of Foreign Affairs if requested to do so by the Ministry of Foreign Affairs for the implementation of the unified national foreign policy. A local government or a local government association has the obligation to inform the Ministry of Foreign Affairs of a cooperation contract concluded with a foreign local government, association of local governments and other foreign authorities.

**Section 79. Participation of a Local Government in Associations and Foundations**

(1) For the implementation of common interests of local governments, local governments may establish joint associations and foundations by complying with that laid down in this Law and the Associations and Foundations Law.

(2) A local government association in which more than half of all city governments, and also more than half of all municipality governments have joined as members, is entitled to represent local governments in discussions with the Cabinet.

(3) A council may decide on the participation of a local government in an association or a foundation which does not comply with the provisions of Paragraph one of this Section if the participation of a local government in an association or a foundation is provided for by international legal acts, law or Cabinet regulations or the participation of a local government is necessary for the implementation of community-led local development.

(4) A chairperson of a council or another official of a local government authorised by the council shall represent the local government in an association or a foundation.

**Section 80. Joint Institutions**

(1) In order to resolve common tasks, local governments may, upon mutual agreement, establish joint institutions. Such institutions shall operate on the basis of by-laws approved by the relevant councils. The by-laws shall specify the competence of the local government joint institution (hereinafter – the joint institution), the procedures for the financing, supervision, liquidation thereof, and also the procedures by which withdrawal from the joint institution takes place, and other issues regarding activities of the local government joint institution.

(2) The joint institution shall act in the field of public and private rights in the name of the relevant legal persons governed by public law. Movable property may be in the ownership, possession, or use of the joint institution. Immovable property may be in the possession or use of the joint institution. The joint institution shall have an independent budget.

(3) If the local government by-laws or another external legal act does not specify the obligation to contest the administrative act or the actual action of the joint institution, the administrative acts and actual action of such institution may be appealed to a court. Local governments forming the joint institution shall, in proportion to the number thereof, be responsible for the losses caused by such institution in the field of public or private rights, unless local governments agree otherwise.

(4) The local governments that established this institution shall implement the supervision of the joint institution through the supervisory council. If local governments establish several joint institutions, one supervisory council may be established for the supervision. Such council shall consist of at least three members, but not less than the number of local governments forming the joint institution. Each local government shall delegate the deputy chairperson of the council for the work in the supervisory council, and also other officials at its discretion. The work of the supervisory council of the joint institution shall be managed by the chairperson of the supervisory council. Duties of the chairperson of the supervisory council shall be fulfilled by the deputy chairperson of the largest local government council according to the number of inhabitants, unless local governments agree otherwise. The supervisory council shall act in accordance with the by-laws approved by the relevant local government councils in which the competence and the procedures for activities of such council, and also the procedures for the selection of the chairperson of the council, the rights and obligations of the members of the council and the procedures for the replacement are to be regulated. The supervisory council shall:

1) determine the action plan and the annual budget of the joint institution;

2) determine the monthly wage of the manager of the joint institution;

3) hire and dismiss from work, and also apply disciplinary measures to the head of the joint institution;

4) evaluate the results of activities of the joint institution, and it is also entitled to request and receive information on the activity of such institution;

5) fulfil other duties laid down in legal acts.

(5) Local governments may establish a joint institution – a local government agency the establishment and operation of which shall be determined by the Public Agencies Law.

**Section 81. Joint Commission of Local Governments**

(1) For ensuring the fulfilment of local government tasks or autonomous functions, local governments may establish a joint commission. The decision on the establishment of a joint commission shall be taken by the council of each local government forming the commission.

(2) The joint commission of local governments (hereinafter – the joint commission) shall operate in accordance with the by-laws approved by the council of each local government forming the commission. The by-laws shall determine the competence of the joint commission, the procedures for the financing, supervision, and liquidation of the joint commission, and also the procedures for the withdrawal of a local government from or joining the joint commission, and other matters concerning the operation of the joint commission.

(3) The joint commission shall act in the field of public and private rights in the name of the relevant legal persons governed by public law forming the joint commission.

(4) The joint commission may be authorised to take decisions in conformity with the competence thereof. If the local government by-laws or another external legal act does not specify the obligation to contest the administrative act or the actual actions of the joint commission, the administrative acts and actual actions of such commission may be appealed to an administrative court.

(5) Local governments that established the joint commission shall, in proportion to the number thereof, be responsible for the losses caused by the joint commission in the field of public or private rights, unless local governments agree otherwise.

**Chapter X**

**Local Governments and the Cabinet**

**Section 82. General Interest of Local Governments**

(1) The Cabinet shall agree with local governments upon all issues that affect the interests of all local governments:

1) draft laws and draft Cabinet regulations that pertain to local governments;

2) the amounts of grants and earmarked grants to be provided to local governments for the current financial year;

3) State budget subsidy to the financial equalisation fund of local governments;

4) sources of financing for the administrative tasks delegated to local governments;

5) other issues related to the planning of the local government budget on which the Cabinet agrees with local governments each year prior to the start of the financial year.

(2) Local governments shall be represented in the process of agreement on the matters referred to in Paragraph one of this Section by the local government association referred to in Section 79, Paragraph two of this Law.

(3) The Minister of the relevant sector or a person authorised by the Minister shall represent the Cabinet in the agreement process.

(4) The procedures by which the Cabinet agree upon the issues referred to in Paragraph one of this Section with local governments shall be determined by the Cabinet.

**Section 83. Minutes of Negotiations**

(1) The results of the agreement process regarding the matters referred to in Section 82, Paragraph one of this Law shall be presented in the form of the minutes of negotiations, unless the law or the Cabinet regulations provide for other procedures for agreement.

(2) The Cabinet shall examine the minutes of negotiations on the agreed issues and disagreements.

(3) When forwarding the annual draft law on the State budget or the draft medium term budget framework law to the *Saeima*, the Cabinet shall attach thereto the minutes referred to in Paragraph one of this Section in which the issues and disagreements agreed upon with local governments are recorded.

**Section 84. Mandate of the Cabinet**

(1) A member of the Cabinet or an authorised representative thereof has the right to attend a meeting of a council and to provide an opinion on a matter of the relevant sectoral policy.

(2) The Cabinet and a member of the Cabinet have the right to receive information from a local government on matters related to the activities of the local government and the competence of the State direct administration in the field of sectoral policy.

(3) When conducting an internal audit or an interdepartmental audit regarding the implementation of a policy within the competence thereof, a sectoral ministry has the right to receive information from a local government, to have access to its resources, premises, data of natural persons, and also to receive explanations on matters related to the relevant internal audit.

**Transitional Provisions**

1. With the coming into force of this Law, the law On Local Governments (*Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 1994, No. 11; 1995, No. 14; 1996, No. 13; 1997, Nos. 5, 23, 24; 1998, Nos. 6, 15, 22; 2000, Nos 2, 14; 2001, No. 3; 2002, No. 14; 2003, No. 14; 2005, No. 6; 2008, No. 16; 2009, Nos. 2, 14; *Latvijas Vēstnesis*, 2009, No. 196; 2010, Nos. 106, 205; 2011, No. 201; 2013, No. 36; 2014, No. 123; 2015, No. 208; 2019, No. 251; 2020, Nos. 37, 202.A; 2021, No. 118) is repealed.

2. Section 4, Paragraph one, Clause 21 of this Law in the part regarding the obligation of a local government to ensure the availability of sobering-up services, and Clause 14 in the part regarding the obligation to establish and finance the municipal police, shall come into force on 1 January 2024.

3. In respect of the employees of the local government administration with whom the employment relationship has been established until 31 December 2022, Section 20, Paragraphs six, seven, eight, and nine of this Law shall apply from 1 January 2024.

4. A council shall, by 30 June 2023, decide on the continuation of the employment relationship with an executive director of a local government, if he or she agrees, and on his or her appointment in compliance with the procedures laid down in Section 21 of this Law. If the executive director of the local government does not agree to continue holding the office of the executive director, the council shall decide on the organisation of a competition for candidates for the office of the executive director. The term of office of the executive director of the local government shall be counted from the date of his or her appointment in accordance with the procedures laid down in this Paragraph.

5. A council shall, by 30 June 2023, appoint a deputy executive director of a local government in compliance with the procedures laid down in Section 21 of this Law if the office of the deputy executive director is provided for in the local government by-law. If the municipality already has a deputy executive director, his or her appointment shall be evaluated in accordance with the procedures laid down in Paragraph 4 of Transitional Provisions.

6. A council shall assess the conformity of the binding regulations issued on the basis of the provisions of the law On Local Governments with this Law and shall issue new binding regulations in accordance with the mandate provided for in this Law. Until the date of coming into force of new binding regulations, but not later than by 30 June 2024, binding regulations issued on the basis of the provisions of the law On Local Governments shall apply, insofar as they are not in contradiction with this Law.

7. Financing for participatory budget shall be provided for in the annual local government budget starting from 2025.

8. Restrictions on combining offices of a councillor provided for in Section 71, Paragraph one, Clauses 4 and 5 of this Law shall apply to councillors who have been elected to office starting from local government elections of 2025. Councillors who hold office in a council until the day of the first meeting of the council elected in the local government elections of 2025 may not:

1) hold the position of the head of the relevant local government institution or his or her deputy, except for the institution performing the autonomous functions of a local government laid down in Section 4, Paragraph one, Clause 4, 5, 6, or 7 of this Law;

2) hold the position of the member of the executive board in a capital company of the relevant local government, in such capital company where local government share in equity capital individually or together with other local governments exceeds 50 per cent, and in such capital company where share in equity capital of one or several local government capital companies individually or together exceeds 50 per cent, except for a capital company which fulfils an administration task arising from the autonomous functions of a local government laid down in Section 4, Paragraph one, Clause 6 or 7 of this Law.

9. The obligation of a local government provided for in Section 77, Paragraph three of this Law to establish an internal audit system shall come into force on 1 January 2024.

10. Local governments shall, by 30 June 2023, liquidate the established associations and foundations which do not correspond the provisions of Section 79 of this Law or terminate their participation in such associations and foundations.

11. The Cabinet shall issue the regulations referred to in Section 82, Paragraph four of this Law by 31 December 2023. Cabinet Regulation No. 585 of 6 July 2004, Procedures by which the Cabinet shall Agree with Local Governments upon Issues that Affect the Interests of Local Governments, shall be applied to the organisation of discussions in 2023 between local governments and ministries, insofar as it is not in contradiction with this Law.

12. The Cabinet shall, by 31 March 2023:

1) adopt the necessary amendments to Cabinet regulations in order to harmonise them with this Law;

2) develop and submit to the *Saeima* draft laws on the amendments necessary to other laws in order to harmonise them with this Law.

13. The requirement of this Law to apply to the competent State security institution for the receipt of a personnel security clearance for access to an official secret shall be applied to those chairpersons and deputy chairpersons of councils who will hold the respective position after the local government elections of 2025. If the *Saeima* adopts a law on the dismissal of a council until the local government elections of 2025 and new elections for the council are held, this requirement shall also be applied to the chairperson and deputy chairperson of the newly elected council.

[*21 March 2024*]

14. A local government shall, in accordance with the procedures laid down in legal acts, send a request to the competent State security institution for the granting of a personnel security clearance for access to an official secret to the persons who hold the office of the executive director or deputy executive director of the local government on 1 June 2024 not later than within one month from this date. If the personnel security clearance for access to an official secret is not received, the person shall be dismissed from the office of the executive director or deputy executive director of the local government.

[*21 March 2024*]

The Law shall come into force on 1 January 2023.

The Law has been adopted by the *Saeima* on 20 October 2022.

President E. Levits

Rīga, 4 November 2022