

Act on Local Government

Part 1

General Provisions

- 1.-(1) This Act shall apply to all municipalities unless otherwise prescribed in this Act.
(2) The provisions of the Act shall apply to the management of all local government affairs unless otherwise especially provided by law.
- 2.-(1) Local government affairs shall be governed by local councils to be elected according to the rules of the Local and Regional Elections Act.
(2) The detailed rules of local government shall be laid down in a local government by-law adopted by the local council. Local government by-law proposals and amendments to the by-law shall be subject to two local council considerations with a minimum interval of six days.
(3) For local governments under a corporation system, cf. section 64, the local government by-laws and amendments thereto shall require the ratification of the Minister for Economic Affairs and the Interior. In all local governments the local council shall notify the National Social Appeals Board, of any adopted local government by-laws and amendments thereto. The local government by-law shall be open for inspection by the residents of the municipality.
(4) The local council shall decide its own rules of procedure.
- 3.-(1) The local council of the City of Copenhagen shall be named the City Council. For the other municipalities the designation of the local council shall be provided in the local government by-law.
(2) The municipality of Bornholm is called the Regional Municipality of Bornholm.
(3) The designation of the chairman of the local council shall be mayor.
- 4.-(1) The name of a local government may only be changed with the consent of the Minister for Economic Affairs and the Interior.
(2) The arms and seals of a local government registered with the Danish Patent and Trademark Office shall be reserved for the authorities of the appropriate local government.
(3) The arms and seals of a local government that pursuant to subsection (2) was reserved for the authorities of this local government until its termination on December 31, 2005 or later, shall by registration with the Danish Patent and Trademark Office as historical be reserved for the local government(s) with which the terminated local government has merged. The arms and seals of a local government that pursuant to subsection (2) was reserved for the authorities of this county until its termination on December 31, 2006, shall by registration with the Danish Patent and Trademark Office as historical be reserved for the Ministry of Economic Affairs and the Interior.
(4) The Minister for Economic and Business Affairs shall lay down rules for application, registration, deletion etc. of local government arms and seals as well as any rules for charges for applications received and requests for transcripts from the register.

Part 2

The Local Council

- 5.-(1) The number of local council members shall be laid down in the local government by-law. The number of members in municipalities with a population of more than 20,000 shall be uneven and minimum 19 and maximum 31, but in the City of Copenhagen the maximum shall be 55, cf. however subsection (3). The number

of members in municipalities with less than 20,000 inhabitants shall be uneven and minimum 9 and maximum 31.

(2) The number of inhabitants, cf. subsection 1, shall be established as per April 1 of the year when election for the local council is held.

(3) The Minister for Economic Affairs and the Interior may, with a view to promoting the representation of the German minority in South Jutland, lay down rules on the minimum number of members to be elected for a local council.

(4) Furthermore, the Minister for Economic Affairs and the Interior may lay down rules on the election of a delegate for the local council by the German minority in South Jutland and for a standing committee of the delegate's choice. The delegate shall have no voting rights. Otherwise the delegate shall have the rights attached to membership of the local council and the committee, respectively, under Danish law.

6.-(1) The constituent meeting of the newly elected local council shall take place between December 1st and 15th of the year of the election, however only after the previous local council has decided any protests and petitions for exemption to accept election. A notice summoning the meeting shall be made by the longest serving member of the local council, or, in case of more than one person being members for an equal period of time, the senior among them.

(2) At its constituent meeting the local council shall elect the chairman from among the members according to the rules of section 24(1). The election shall be conducted by the member summoning the meeting.

(3) No local government employees shall be allowed to assume the chairmanship of the local council. Furthermore, a chairman of a local council shall not be allowed to assume the chairmanship of a regional council at the same time.

(4) As soon as the election of chairman has taken place, the local council shall choose a vice-chairman from among its members to act in the absence of the chairman. The election shall be conducted by the newly elected chairman or, in his absence, by the member conducting the election for chairman and shall follow the same rules of procedure.

(5) The local government by-law may provide for the local council to elect from among its members a first and a second vice-chairman to act in the absence of the chairman in the said order. The election shall be conducted as specified in subsection (4) and shall take place in one round by proportional representation, cf. section 24(3).

(6) The elections of chairman and vice-chairman (vice-chairmen) shall remain effective for the term of office of the local council.

7.-(1) Any member of the local council shall be obliged to accept his election as a chairman or a vice-chairman.

(2) The local council may upon request accept to relieve the chairman and vice-chairman of their duties for the remainder of their term of office. The chairman of the local council is entitled to be relieved if he is elected chairman of the regional council.

(3) In the event of a chairman or vice-chairman being relieved of their duties, dying or retiring from the local council, a new election shall take place for the remainder of the term of office of the local council according to the rules of section 24(1). If more than one vice-chairman is elected, the vacancy shall be filled by the group within the local council who elected the outgoing vice-chairman.

8.-(1) The local council shall decide when and where to hold ordinary meetings. The meeting schedule shall be published at the beginning of each fiscal year. Ordinary meetings shall generally be held at least once a month. Time and place for the meeting shall be published.

(2) Extraordinary meetings shall be held as the mayor sees fit, or if demanded by a minimum of one third of the members. The mayor shall decide the time and place for the extraordinary meetings and as far as possible publish this information.

(3) The local council may lay down rules regarding the duration of its meetings.

(4) The mayor must ensure distribution of an agenda and the material, including any committee statements, necessary for the assessment of items on the agenda to the members not later than four weekdays prior to meetings of the local council.

(5) If a matter cannot be postponed, the local council may take a decision even if the agenda and the necessary material have not been distributed four weekdays prior to the meeting. The mayor must ensure that it is clear from the agenda that the agenda or the necessary material has not been distributed within the time-limit. The agenda must also state the reason why the matter cannot be postponed.

(6) The local council may for the purpose of considering the individual cases decide whether and to which extent members may demand that information be procured or technical assistance be provided by the administration.

(7) Subject to the restrictions as to secrecy provided by law, a list of the matters for consideration at the meeting of the local council and a transcript of the resolution minutes shall as far as possible be published.

8a.-(1) The local council may decide that material to be made available or sent to one or more members of the local council shall only be distributed electronically. The local council shall then reimburse the costs incurred by the members for the purchase of the required equipment etc. or make this equipment etc. available to the members.

8b.-(1) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and the Danish Data Protection Act (*dataskyttelsesloven*) do not apply to the processing of information in the course of the performance of duties by a member of the local council..

9.-(1) Any member of the local council has a right, as part of his attention to duty, to review the documents of a case which is available in its final form with the local government administration.

(2) Any request for access to the inspection of cases pursuant to subsection (1) shall be addressed to the mayor.

(3) The mayor may restrict the access to inspect cases if required out of consideration for execution of matters or if access to inspect the cases will involve difficulties out of proportion with the purpose.

(4) A member shall be entitled to receive upon request copies of the documents of a case which he has a right to inspect, cf. subsections (1) to (3). However, the local council shall be able to lay down detailed rules of guidance for exercising the right to receive cases and limitations as regards this right, if circumstances so require.

9a.-(1) The local council shall be able to decide that seminars be arranged for the members of the local council regarding the local government's annual budget or other local government affairs of major importance. Such decisions of the local council shall be made as far as possible in connection with the scheduling of meetings, cf. section 8(1).

(2) The local council may allow others to take part in or attend seminars.

(3) It shall not be possible to adopt resolutions at seminars.

9b.-(1) The local council may decide to hold a binding referendum on a decision made by the local council in a matter which can be subjected to negotiation in the local council, cf. however, subsection (2). If more than one consideration of a matter is required under current legislation, the decision of the local council cannot be made the subject-matter of a binding referendum unless it is final.

(2) A binding referendum cannot be held on:

(i) a decision on cases relating to governmental or regional tasks, the performance of which requires or is closely connected with the participation of the local government;

(ii) a decision in cases where the holding or outcome of a referendum may cause the legislation to be set aside or be contrary to a ruling;

(iii) a decision under Part V and sections 57-59 and rules issued in pursuance of such provisions;

(iv) a decision on taxes and charges, and

(v) a decision on a case against individual natural or legal persons, including on payment and pay and other employment terms unless the decision is on a case against the local government itself or against a company controlled by the local government.

(3) The local council must decide how to phrase questions put to vote in the binding referendum under subsection (1) on the ballot paper. The wording of the referendum question must adequately describe the decision submitted to referendum under subsection (1).

(4) The local council must set the date of the referendum. The referendum must be held within the term of office of the local council and not earlier than two and not later than six months after the decision of the local council under subsection (1).

(5) The decision of the local council to hold a referendum under subsection (1) and the decisions of the local council under subsections (3) and (4), 1st sentence, must be made at the same meeting as the decision submitted to referendum. The local council must not change the decisions mentioned in the 1st sentence hereof.

(6) Any proposal to hold a referendum under subsection (1) can be made at or before the meeting at which the decision to hold a referendum is adopted. If it is proposed to hold a referendum under subsection (1), the decision proposed to be submitted to a binding referendum cannot be adopted until the local council has considered the proposal to hold a referendum under subsection (1). The local council may decide on a proposal to hold a referendum under subsection (1) even if no statement on the proposal has been obtained from relevant standing committees and from the finance committee, cf. section 18(2).

(7) If the local council has decided to hold a referendum, the local council must give prompt notice in writing to the Ministry for Economic Affairs and the Interior of the decision and of the date of the referendum.

(8) If a referendum or the outcome of the referendum held at the decision of the local council under subsection (1) risks being in breach of current legislation or a ruling, or if the decision submitted to referendum at the decision of the local council under subsection (1) is subject to subsection (2)(i) or (v), the referendum cannot be held, and the local council must arrange for the cancellation of the referendum and destroy the voting material.

(9) The referendum must be held in accordance with the rules in Part 11a of the Local and Regional Government Elections Act (*lov om kommunale og regionale valg*).

9c.-(1) The decision of the local council submitted to referendum under section 9b(1) is finally adopted if more voters vote in favour of the decision than against. Otherwise the decision will be repealed.

9d.-(1) If a referendum is held in accordance with sections 9b and 9c, the local council cannot make a decision which is incompatible with the outcome of the referendum during the term of the local council without holding a new referendum under sections 9b and 9c on the relevant decision. However, this does not apply if the outcome of the referendum is in breach of current legislation or a ruling after the holding of the referendum, or if the decision submitted to referendum becomes subject to section 9b(2)(i) or (v) after the holding of the referendum.

10.-(1) The meetings of the local council are open to the public. A local council shall be allowed to decide that a matter be considered in confidence if required on account of its nature. The issue whether a matter gives cause for consideration in a confidential meeting shall itself be negotiated in a confidential meeting if decided by the local council or the chairman.

(2) The local council may allow local government employees to attend the considerations of matters in confidence. The local council may summon other individuals to attend for consideration of the matter in a confidential meeting if it may serve to illuminate the matter.

11.-(1) Any member of the local council shall be allowed to submit any issue regarding local government affairs and to advance proposals for resolutions in their respect to the local council. The committees and the chairman of the local council shall give the local council the details requested by the latter and, subject to the restrictions provided by law, they shall in every respect be governed by the resolutions of the local council.

(2) The local council shall be legally competent to transact business when at least half of the members are present.

(3) Resolutions shall be adopted by majority of votes unless otherwise especially provided.

12.-(1) A matter needs only be considered once before adopted unless otherwise especially provided.

13.-(1) The resolutions of the local council shall be entered into the resolution minutes to be signed by the attending members after each meeting. In the City of Copenhagen the minutes shall only be signed by the chairman and the secretary of the City Council.

(2) Any member having attended the meeting shall be entitled to demand entry of a brief dissent into the resolution minutes and in respect of matters to be forwarded to another authority to demand that the latter be made familiar with the contents of the minutes. The member in question shall have access to include the reasons for his point of view in the minutes to be forwarded.

14.-(1) The local council shall decide whether the interest of a member is of such a nature that he shall be excluded from participating in the debate of the local council and the vote on the matter.

(2) A member shall notify the local council if there is anything likely to disqualify him.

(3) If a member is expected to be disqualified in a matter to be considered at the meeting of the local council, cf. subsection (1), the members elected on the appropriate list of candidates shall be able to demand that the substitute be summoned to participate in the consideration of the matter.

(4) If the local council makes a decision regarding the qualification of a member without summoning the substitute, the members elected on the appropriate list of candidates shall be able to demand that the matter be postponed to the subsequent meeting. Postponement shall not be allowed, however, if two thirds of the attending members are against it, or if postponement will cause any time-limits fixed by law or by other authorities to be exceeded.

15.-(1) If a member is prevented from participating in a meeting of the local council on account of health, the

members elected on the appropriate list of candidates shall be able to demand that the substitute be summoned to participate in the meeting. For the constituent meeting, cf. section 6, or for the second consideration of the annual budget proposal, cf. section 38(2), it shall also be possible to demand that the substitute be summoned if a member is unable to attend for whatever reason. If no one on the appropriate list of candidates is able to summon the substitute, the substitute himself shall be able to demand that he be summoned.

(2) If the chairman of the local council receives notice or is otherwise informed that a member will be prevented from attending to his local government duties for a period expected to last at least one month on account of health, pregnancy, maternity or adoption, performance of other public duty, business or similar, the chairman shall summon the substitute to attend at the next meeting of the local council. The local council may in the government by-law stipulate that the chairman, in case of a member's absence for the reasons mentioned in the 1st sentence, summons the substitute even if the impediment is expected to persist less than one month.

(3) When the member is capable of resuming his local government duties, the substitute shall retire from the local council.

(4) The local council shall decide whether the conditions for the substitute's entry are fulfilled.

(5) If the substitute for the chairman or vice-chairman of the local council has entered in accordance with subsection (2) and the impediment is expected to last at least two months, the local council shall elect the person to perform the functions of chairman or vice-chairman, respectively, during the absence in accordance with the rules of section 7(3), cf. section 24(1).

15.a. (Repealed).

16.-(1) The members of the local council shall be granted a regular fee. The Minister for Economic Affairs and the Interior shall lay down the detailed rules for the fee. The fee shall cover any member's:

- a) Participation in the meetings of the local council and its committees and subcommittees;
- b) Participation in meetings in connection with attending to local government duties executed by election of the local council, unless special payment is otherwise provided;
- c) Participation in courses and the like considered by the local council or by the finance committee so authorized by the local council to be of importance to the performance of duties specified in paras a and b,
- d) Participation in seminars, cf. section 9.a;
- e) Participation in the auditors' submission of reports, cf. section 42.c
- f) Performance of other specified local government duties requested by the local council or its committees; and,
- g) Carrying out of other activities in connection with meetings or the like specified in paras a to f.

(2) For membership of finance committees and standing committees the local council may decide to grant a committee fee to the members of the local council. The detailed rules regarding committee fees shall be laid down by the Minister for Economic Affairs and the Interior who may also regulate whether the local council shall have access to grant a fee for membership of other committees set up by the local council.

(3) For participation in the constituent meeting, cf. section 6, attendance fees and compensation for documented loss of earnings shall be granted according to the rules of section 16.a.

(4) A member of the local council with a child or children below the age of ten living at home shall be granted a supplementary fee. The Minister for Economic Affairs and the Interior shall lay down the detailed rules for the supplementary fee and for the delimitation of the group of members to whom such a fee shall be granted.

(5) A member may choose to receive compensation for documented loss of earnings. In this case the regular fee shall be reduced. The choice shall be made with effect for one fiscal year at a time. Compensation shall be granted for participation in the meetings and the like specified in subsection (1), paras a to e. In addition, the local council may decide to grant compensation to a member for carrying out the activities specified in subsection (1), f. The compensation shall per day not exceed five times the amount of the attendance fee prescribed by the Minister for Economic Affairs and the Interior for meetings not exceeding four hours, cf. section 16.a(2). The Minister for Economic Affairs and the Interior shall lay down the detailed rules for granting the compensation, including for the reduction of the regular fee.

(6) If a person receives a special remuneration or fee, except for the allowances in pursuance of subsections (1), (2) and (4), for attention to a local government duty, such person shall not be granted compensation for loss of earnings in connection with its performance.

(7) The Minister for Economic Affairs and the Interior will lay down rules on the payment of remuneration to the chairmen and vice-chairmen and on post-service remuneration to the chairmen of the committees appointed by the local council and rules on payment of remuneration to any member acting as a committee chairman owing to the absence of the chairman.

(8) Substitutes summoned to participate in individual meetings of the local council, cf. section 14(3) and section

15(1) and (2), 2nd sentence, shall be granted attendance fees and compensation for documented loss of earnings according to the rules of section 16.a(2) and (3).

(9) Any person shall be obliged to receive the allowances to which the appropriate person is entitled according to the rules of subsections (1) to (8).

(10) In connection with participation in the meetings and the like specified in subsection (1), paras a to f, members of the local council shall be granted:

- a) Allowances for travelling expenses and for absence from home;
- b) Allowance for documented necessary expenses connected with a physical disability; and
- c) Allowance for documented necessary expenses for the care of sick close relatives.

(11) The local council may decide to grant the allowances specified in subsection (10) to members of the local council in connection with the performance of the activities specified in subsection (1), g. The local council may furthermore decide to reimburse other expenses connected with local council members' participation in the meetings and the like specified in subsection (1), or decide to grant other support in connection herewith.

(12) None of the fees specified in subsections (1), (2) and (4) to (7) nor the allowance specified in subsection (10), c may be granted to the chairman of the local council, members of the corporation, cf. section 64 and chairmen of committees, cf. section 64.a.

16a.-(1) The local council may decide to grant attendance fees and compensation for documented loss of earnings to a person who, not being a member of the local council, participates in the meetings and the like specified in section 16(1), paras a to f.

(2) The Minister for Economic Affairs and the Interior shall determine the amount of the attendance fees. The attendance fees shall be fixed at an absolute amount per day and so that for days on which attention to the duty occupies more than four hours, the fee shall be doubled. The computation of the time spent on attention to the duty shall include the necessary time for travelling to and from the location of its performance unless the entire trip is made within the boundaries of the same municipality.

(3) Compensation for loss of earnings shall per day not exceed five times the amount of the attendance fee for meetings not exceeding four hours, cf. subsection (2). The Minister for Economic Affairs and the Interior shall lay down detailed rules for the granting of compensation.

(4) If a person has been granted a special remuneration or fee for performing a local government duty, such person shall not be granted attendance fees and compensation for loss of earnings in connection herewith.

(5) Any person shall be obliged to receive the allowances to which the appropriate person is entitled according to the rules of subsections (1) to (3).

(6) In connection with participation in the meetings and the like specified in section 16(1), paras a to c, those who are not members of the local council shall be granted the allowances specified in section 16(10) and be reimbursed for documented necessary childminding expenses.

(7) The local council may decide to reimburse the expenses specified in subsection (6) to a person who, while not a member of the local council, participates in the activities specified in section 16(1), paras d to g. The local council may furthermore decide to reimburse other expenses connected with participation in the meetings and the like specified in section 16(1) or decide to grant other support in connection herewith.

16b.-(1) A member of the local council who is an employee shall have a right to be absent from work to the extent necessary to be able to participate in the meetings and the like specified in section 16(1), paras a to e.

(2) The chairman of the local council, members of the corporation, cf. section 64 and chairmen of committees cf. section 64.a., shall not be entitled to leave of absence according to subsection (1).

(3) The right to leave of absence according to subsection (1) shall not include cases in which vital considerations for attending to the task speak against granting the leave of absence.

16c.-(1) An employer shall be prevented from dismissing an employee because the latter is enrolled on a list of candidates for a local election or has been elected to a local council.

16d.-(1) If an employee who is enrolled on a list of candidates for a local election or elected to a local council is dismissed, the employer shall be required to prove that the dismissal is not motivated therein.

(2) If an employee is dismissed in contravention of section 16.c, the employer shall pay compensation.

(3) The compensation which shall not exceed 78 weeks wages shall be fixed depending upon the period of employment and other circumstances.

16e.-(1) A member of the local council who by election by or a proposal from the local government performs duties other than membership of the committees of the local council shall inform the local council of the amount

of the compensation involved in performance of his duties during the last calendar. Within the first three months, the local council shall publish which members receive compensation for the performance of such duties and the amount during the last calendar year for each duty the member performs.

(2) Subsection 1 shall also apply to employees in the local government administration who by appointment by or proposal from the local government performs the duties mentioned in subsection (1).

16f.-(1) The local council may decide to pay travelling allowance to members of the local council who perform civil wedding ceremonies, cf. section 18(1) and (2) of the Act on the Contraction and Dissolution of Marriage (*lov om ægteskabs indgåelse og opløsning*).

Part 3

Committees etc.

17.-(1) A finance committee and one or more standing committees whose composition and sphere of authority must be laid down in the government by-law shall be set up to attend to the immediate management of local government affairs. The committees shall have an odd number of members, which shall not exceed half the number of members of the local council.

(2) The local council shall elect members of the committees, commissions, boards and the like in which the local council or the local government must be represented according to other provisions.

(3) Elections of members for the committees and the like specified in subsections (1) and (2) shall take place immediately following the elections of chairman and vice-chairman (vice-chairmen) of the local council. The elections shall remain effective for the term of office of the local council.

(4) In addition, the local council shall be allowed to set up select committees for the performance of specific tasks or performance of preparatory or advisory functions for the local council, the finance committee or the standing committees. The local council shall determine the composition of the select committees and lay down the rules for their activities.

(5) The Minister for Economic Affairs and the Interior may lay down rules on the situations in which the local council shall set up a committee for the performance of preparatory or advisory functions for the local council, the finance committee and the standing committees in matters regarding the German minority in South Jutland and on the composition and activities of the committee.

(6) The members of the local council shall be obliged to accept their election to committees, commissions, boards and the like and to perform other tasks which the local council should assign to them. The local council may also, unless otherwise especially provided, entrust assignments to other residents of the municipality who are willing to accept them.

(7) The local council shall arrange for the local administrative organisation and shall lay down rules for the employment and dismissal of local government employees.

18.-(1) The members of the finance committee shall be elected from among the members of the local council. The chairman of the local council shall be chairman of the committee.

(2) The finance committee shall supervise the financial and general administrative affairs in all local administrative areas and a statement shall be obtained from the committee in respect of every matter pertaining to such affairs before the matter is submitted to the local council for decision.

(3) The finance committee shall attend to the immediate management of affairs relative to the cash and accounting services as well as the wage and personnel affairs of the local government.

(4) The finance committee shall be in charge of or shall coordinate local government planning.

(5) The finance committee may furthermore attend to the immediate management of other local government affairs.

(6) If the finance committee attends to other local government affairs, cf. subsection (5), it may be laid down in the government by-law that the finance committee is designated accordingly.

19.-(1) Members of a standing committee shall be elected from among the members of the local council.

20.-(1) The committees shall perform their functions at meetings. For each fiscal year the finance committee and every standing committee shall decide when and where to hold their meetings. The meetings must be held in sufficient time prior to meetings of the local council for any committee statements to be distributed to members of the local council not later than four weekdays prior to meetings of the local council, cf. section 8(4). Any

member of the committee may claim that the decision on a schedule for meetings be brought before the local council for a decision.

(2) The committees shall be legally competent to transact business when at least half of its members are present. All resolutions shall be adopted by majority of votes.

(3) The committees shall lay down their own rules of procedure. The committees may lay down rules on the duration of the committee meetings. Prior to committee meetings, an agenda and the material necessary for assessment of the items on the agenda must be distributed to the members. Minutes shall be kept for every committee in which the resolutions of the committee shall be entered. The resolution minutes shall be signed by the attending members after every meeting. Any of these members shall be entitled to demand entry of a brief dissent into the resolution minutes. In respect of matters forwarded by the committee to another committee, the local council or another authority, any member shall be entitled to demand that the recipient be made familiar with the contents of the minutes at the same time. The member in question shall have access to include the reasons for his point of view in the minutes when forwarded.

(4) The committees shall be entitled to allow local government employees to attend the meetings with a view to performing secretariat functions and the like for the committee. The committees shall be allowed to summon other persons, including other members of the local council to attend the negotiations if desirable for the illumination of a matter.

(5) The finance committee may allow local council members who are not members of the finance committee to attend its final consideration of the annual budget proposal and multi-annual budget estimates.

(6) Any member of the local council shall be entitled, subject to the restrictions as to secrecy provided by law, to receive upon request agendas and transcripts of resolution minutes distributed to the members of committees of which the requesting person is not a member and upon request, in the particular case, the documents of a matter to the same extent as the members of the committee.

(7) Subject to the restrictions as to secrecy provided by law, a list of the matters for consideration at the meetings of the committees shall as far as possible be published.

21.-(1) The committees shall manage the affairs for which they are responsible within the framework of the approved annual budget in connection with the resolutions passed by the local council and in accordance with the regulations and the like issued by the local council. They shall ensure that the appropriated sums are not exceeded and shall make recommendations through the finance committee to the local council if any additional grants are considered desirable or necessary.

(2) Prior to initiating any measures of material consequence for another committee, a committee shall negotiate with the appropriate committee, if necessary involving the chairman of the local council, cf. section 31 a.

(3) The committees shall be required upon request from the finance committee and within a time-limit to be fixed by the latter to present their contributions to the annual budget and the multi-annual budget estimates, cf. section 37(2).

22.-(1) The committees shall elect their own chairmen, cf. however section 18(1). Any member of the committee shall be obliged to accept the election as chairman. The chairman shall prepare, summon and conduct the meetings of the committee and shall see to it that its resolutions are entered into the resolution minutes.

(2) The chairman shall be entitled to decide matters which cannot be postponed or which are unlikely to cause any doubt on behalf of the committee. The chairman of the local council shall be prior advised about decisions in matters which cannot be postponed except for decisions which are referred to the committee by legal provision.

(3) Any member of the committee may bring any question regarding the performance of the functions of the chairman before the committee, and the chairman shall be required to give the committee the information it demands. The chairman shall be governed by the resolutions made by the committee in every respect.

23.-(1) Any member of a committee may suspend the implementation of a resolution made by the committee by declaring at the meeting for entry into the resolution minutes that he wants the matter to be brought before the local council for a decision. However, this does not apply to decisions which are referred to the committee by legal provision.

24.-(1) In an election by a majority vote the candidate who obtains a majority of votes from the members present shall be elected. If such majority is not obtained in the first ballot, a second ballot shall be arranged. In the second ballot a candidate shall be elected if the person in question obtains the votes of the majority of the members present, or if the only votes passed are in favour of the person in question. If the second ballot brings no clarification, a bound election shall be held between the two candidates having received the majority of the votes in the second ballot, so that in case of a parity of votes, lots shall be drawn to decide which two candidates shall

receive votes in the bound election (third ballot). If the votes are equal in the third ballot, the election shall be settled by drawing lots.

(2) In case of local government employment, the choice between applicants shall take place in the way specified in subsection (1).

(3) Election by proportional representation according to this Act shall be held on the basis of D'Hondt's principle according to the following rules: the members of the local council shall be subdivided into the groups in which the members have notified the chairman that they will vote together in the appropriate election. For elections to the finance committees and standing committees, the group registration shall be the same, however. The members of each group are divided by 1, 2, 3, etc. The resulting quotients indicate the order in which the individual groups shall be able to appoint their representatives. If two or more quotients are equal, the order shall be settled by drawing lots. When the number of representatives to which the individual groups are entitled has been decided, the groups shall inform the chairman immediately of the persons appointed for the seats allotted to them. If a group waives its right to have one or more representatives, the vacancies shall be distributed among the other groups as specified above.

25.-(1) The election by the local council of two or more members for committees, commissions, boards and the like shall be made according to an election by proportional representation for each respective committee, etc. in turn, cf. however section 27(1).

(2) For the election by the local council of members for committees, commissions, boards and the like, in which the chairman of the local council or a committee chairman shall have a seat, the seat of the appropriate person shall be taken to be one of the seats accruing to the group in the local council that has registered the affiliation of the person in question in the election concerned.

26.-(1) If an election of members for committees, commissions, boards and the like is to be held among members as well as non-members of the local council, the election of all the members to be elected by the local council shall be made by proportional representation for each committee, etc. in turn. The groups may appoint members or non-members of the local council in the order which the mandates are allotted to them, until one type or other of the seats has been filled.

27.-(1) If, in an election by proportional representation in pursuance of section 24, a group has not acquired as many seats in the standing committees as it would have obtained by a distribution once-and-for-all of all seats in these committees, the group shall be entitled to have the number by which it is short allotted by taking over seats from the group(s) which in the first round of distribution obtained too many. The group entitled to further committee seats may demand that they be allotted no more than one seat in each committee by the above provisions.

(2) Disputes among groups which are to give up seats on a committee according to the above provisions shall be decided by the local council.

(3) If by application of the procedure according to subsections (1) and (2) a group loses the majority in a committee, the group may appoint such surplus number of members of the appropriate committee which are necessary to preserve their majority therein.

28.-(1) If, during an election period, a member retires from a committee, a commission, a board or the like, to which he is elected by a specific group in the local council, the vacancy shall be occupied by the same group.

(2) If a member of a committee is prevented from attending for at least one month, the group, who has elected him, shall be entitled to decide that another member shall enter into the committee for the duration of the impediment. A local council which has, in the local government by-law, made a decision in accordance with section 15(2), 2nd sentence, may decide in the local government by-law that the group which has appointed a committee member may decide that another member is to join the committee during the absence of the committee member, notwithstanding that the absence is expected to last less than one month.

(3) In the local government by-law, the local council may decide that the group which has appointed a committee member who is expected to be disqualified in relation to a matter to be considered by the committee may decide that in such case, another member is to join the committee for consideration of the matter.

29.-(1) A member of a committee shall not be allowed to provide any service against payment to the branch of the local government administration for which the appropriate committee is responsible without prior public tender or, where circumstances so advocate, according to resolution passed by the local council.

(2) Membership of a standing committee shall be prohibitive for

- a) Employees who are immediately responsible to the committee for the management of an administrative area and their substitutes, and
 - b) Employees who otherwise perform senior management duties in an administrative area which comes under the sphere of the committee.
- (3) Membership of the finance committee shall be prohibitive for
- a) Employees in the part of local government administration which performs administrative functions in matters which in pursuance of section 18(3) and Part 5 are referred to the finance committee,
 - b) Employees who are immediately responsible for or otherwise perform senior management duties in other administrative areas for which the finance committee is responsible, and
 - c) Employees who are immediately responsible for the management of an administrative area under a standing committee.
- (4) A local government employee cannot be a member of the corporation, cf. section 64, or chairman of a standing committee in a municipality governed by the rules of section 64.a.
- (5) No one who lives in a marriage or any relationship similar to marriage with a person employed by the local council may be a member of:
- a) A standing committee if the employee in pursuance of subsection (2), para a, is prohibited from membership of the committee,
 - b) The finance committee if the employee is immediately responsible for or otherwise performs senior management duties in the administrative area of the finance committee or is immediately responsible for the management of an administrative area under the standing committee,
 - c) The corporation, cf. section 64, or chairman of a standing committee in a local government managed according to the rules of section 64.a., if the employee is immediately responsible for or otherwise performs senior management duties in the administrative area in the department for which the person in question is in charge or is immediately responsible for the management of an administrative area under one of the other departments.

Part 4

The Chairman of the Local Council

30.-(1) The chairman shall prepare the meetings of the local council and summon the members thereto. He shall conduct the negotiations and ballots of the local council and shall see to it that its resolutions are entered into the resolution minutes.

31.-(1) The chairman shall be entitled, to decide matters which cannot be postponed or which are unlikely to cause any doubt on behalf of the local council.

(2) No later than at the first ordinary meeting, cf. section 8(1), the chairman shall inform the local council of resolutions made pursuant to section 31(1).

(3) The chairman shall be in charge of the overall daily management of the local government administration. The chairman shall allocate matters to the committees in question and shall see to that matters demanding a resolution by the local council are submitted to the latter together with any statements. The chairman shall ensure that matters are executed and shall make rules thereon, if necessary. The chairman shall see to it that no expenditure is defrayed nor any revenue received unless properly granted.

(4) Detailed rules for the transactions of the chairman may be laid down in the government by-law.

31.a.-(1) The chairman shall be entitled to take part in meetings in committees without voting rights even if not a member. The chairman shall be notified about the dates and times for the meetings of the committees and shall receive the agenda and a transcript of the resolution minutes for every meeting.

(2) The chairman may convene the members of two or more committees for an overall discussion of current matters of common interest.

(3) The chairman shall be entitled to suspend the consideration of a matter coming under the sphere of authority of a committee by ordering the committee in writing to bring the matter before the local council without undue delay. However, this shall not apply to matters where the decision right is referred to the committee by legal provision.

32.-(1) Documents relating to the local government's acquisition or selling of real property, contracting of loans and entering into guarantee commitments shall be signed by the chairman or the vice-chairman (vice-chairmen) of the local council and a person so authorised by the local council, cf. however subsection (2).

(2) In municipalities governed by the rules in section 64 or section 64.a, the documents mentioned in subsection (1) may also be signed by corporation members or committee chairmen and a person so authorised by the local council.

33.-(1) When the vice-chairman of the local council acts in the absence of the chairman, he shall assume all duties imposed on the chairman by this Act and the government by-law.

34.-(1) Rules governing the granting of remuneration, post-service remuneration and pension for the chairman of the local council, members of a corporation, cf. section 64, and the chairmen of committees, cf. section 64.a, shall be laid down by the Minister for Economic Affairs and the Interior.

(2) Rules governing the granting of fees to the vice-chairman (vice-chairmen) of the local council shall be laid down by the Minister for Economic Affairs and the Interior

(3) A member who according to section 15(5), or section 66 b(3) is appointed to act as chairman or as a member of a corporation, shall receive a fee during the term of office according to the rules laid down in accordance with subsection (1). The same fee shall be granted to a member of a standing committee who takes over the management of the administration, cf. 64.a(4).

(4) The local council may grant a fee to a member who, apart from the cases stated in subsection (3), performs duties which fall upon the chairman of the local council or a member of a corporation. In fixing the fee, especially the scope and duration of the workload shall be taken into account.

(5) A vice-chairman who receives a fee according to subsection (2) shall only be entitled to receive a fee in pursuance of subsections (3) or (4) if the person in question has performed the functions of the chairman for more than five weeks in a fiscal year.

(6) If a member receives other fees, remuneration, attendance fees or compensation for loss of earnings from the local treasury, these amounts together with the fees referred to in subsections (2) to (4), may not exceed the fee to which the mayor is entitled in any fiscal year, cf. subsection (1).

35. (Annulled)

Part 5

Local Government Financial Administration

36.-(1) The fiscal year of the local government shall run from January 1st to December 31st.

37.-(1) The annual budget proposal of the local government for the following fiscal year shall be prepared by the finance committee for presentation to the local council before the time-limit fixed by the Minister for Economic Affairs and the Interior.

(2) The proposal shall be accompanied by multi-annual budget estimates for which the number of years shall be determined by the Minister for Economic Affairs and the Interior.

(3) Proposals for the annual budget and multi-annual budget estimates that have been finally adopted by the finance committee shall be published when the proposal is made available to the members of the local council.

38.-(1) The annual budget proposal and multi-annual budget estimates of the finance committee shall receive two considerations by the local council at an interval of at least three weeks.

(2) At the second consideration the annual budget proposal and multi-annual budget estimates shall be subject to discussion and decision by the local council. The Minister for Economic Affairs and the Interior shall fix the time-limit for the second consideration and may fix different time-limits for specific items in the annual budget and the multi-annual budget estimates. The Minister for Economic Affairs and the Interior shall lay down the detailed rules for specification of the items in the annual budget in respect of which the local council shall decide on the appropriation at the final adoption of the annual budget.

39.-(1) The finally adopted annual budget and the multi-annual budget estimates shall be published.

(2) A short summary of the contents of the annual budget and the budget estimates shall be published before commencement of the next fiscal year.

40.-(1) The annual budget delivered in the form it is finally adopted by the local council is the binding rule for the amount of next year's imposition of local taxes. The items in the annual budget for which the local council by adoption of the annual budget has decided the appropriations, cf. section 38(2) shall also deliver the binding rule for next year's local administration.

(2) The local council shall be the authority empowered to make appropriations. Measures which will entail revenues or expenditures, which are not appropriated in connection with the adoption of the annual budget, shall not be initiated until the local council has granted the requisite funds. However, measures imposed by law or any other binding legal precept, may be initiated, if necessary, without prior authorisation by the local council, but such appropriation must then be obtained as soon as possible. Furthermore, the local council may authorise the finance committee to provide supplementary appropriations in cases where amounts from appropriations granted for current operations or capital need to be transferred to a different appropriation account for current operations or capital.

(3) Any supplementary appropriation shall specify how the authorised expense is to be covered.

(4) The Minister for Economic Affairs and the Interior is authorised to lay down rules on the relationship between revenues and expenditures and on the appropriation of general reserves in the annual budget and multi-annual budget estimates or parts thereof.

41.-(1) Any decision for contracting a loan and entering into guarantee commitments shall be made by the local council unless the Minister for Economic Affairs and the Interior decides otherwise.

(2) The Minister for Economic Affairs and the Interior may prescribe detailed rules according to which decisions regarding conclusion of rent and leasing agreements that impose a special obligation on the local government shall be made by the local council.

41.a.-(1) Any decision regarding the fixing of rates to be paid by residents for services from municipal utility companies in the municipality and for the use of social institutions and services and the like including after-school recreation schemes shall be made by the local council.

42.-(1) Any local government must submit its accounts to a state-authorised or registered accountant for auditing. The auditors of the local government must be competent and independent. The local council must appoint the auditors of the local government subject to the approval of the National Social Appeals Board. The approval can be withdrawn at any time. The dismissal of the auditors by the local council requires consent from the National Social Appeals Board.

(2) The audit shall comprise all accounts under the local council. The audit shall verify the correctness of the accounts and whether the transactions reported in the accounts are in accordance with the appropriated grants, other decisions of the local council, laws and other regulations and with negotiated contracts and common practice. Furthermore, the carrying into effect of the decisions of the local council and the committees as well as the administration of local government affairs shall be assessed with a view to the relevance of their financial application.

(3) At regular intervals the auditors shall critically examine the keeping of accounts and the controls set up in this respect with a view to verifying their safe application.

(4) The auditors shall submit an annual report on the audit of the accounts of the local government. In addition, the auditors shall present a report in the course of the year whenever it is prescribed or when the auditors find it appropriate (interim audit reports). The auditors must procure and give the local council all information requested by the local council about matters relating to the performance of the auditors' duties. (5) The local council shall procure and provide all details required for the auditors to perform the audit.

(6) The auditors must not participate in or take joint responsibility for decisions which may put their position as independent auditors at risk.

(7) The local council shall determine the detailed rules for the organisation of the local government cash and accounting services in regulations which shall also incorporate procedural directions for cash and accounting services. The regulations shall be forwarded to the local government auditors who shall also be notified of any amendments to the regulations before they are made effective.

42.a.(Annulled)

42.b.-(1) The chairman of the local council shall make arrangements for the audit reports, cf. 42(4) to be distributed to the members of the local council at the latest seven days after receipt.

42.c.-(1) The auditors may present the audit reports, cf. section 42(4) to the local council. Furthermore, audit

reports shall be presented to the local council when at least one fourth of the members so request. Upon the request of the auditors or at least one fourth of the members, the chairman of the local council shall decide the time and place of the presentation and summon the members of the local council.

(2) The chairman of the local council must ensure distribution of a notice convening the meeting and the material required for the auditors' presentation to the members of the local council not later than four weekdays prior to the presentation unless the presentation cannot be postponed.

(3) The local council may allow other people to participate in or attend the presentation.

(4) No decisions can be made during the presentation.

43.-(1) Local government bookkeeping shall provide an overview as to how the local government funds have been managed and whether the management is in accordance with the annual budget and the other resolutions made by the local council.

44.-(1) Funds not required to be available in cash for daily transactions shall be deposited with a financial institution or paid into a postal giro account or be placed in such bonds or unit trust certificates that are identified for the safe investment of foundations.

45.-(1) Local government annual accounts shall be reported by the financial committee to the local council before a time-limit fixed by the Minister for Economic Affairs and the Interior. The accounts shall be accompanied by a list of the security and guarantee commitments of the local government. The accounts shall furthermore be accompanied by comments as required, particularly regarding important variances between appropriation and accounting figures.

(2) The local council shall hand over the accounts to the auditors. Following communication of the auditors' comments on the accounts to the finance committee and, as far as comments which do not immediately refer to the administration under the finance committee are concerned, also to the appropriate local government authority for a reply, the local council shall meet to make a decision regarding the comments and approval of the accounts.

(3) The finally approved accounts shall be published.

45.a. (Repealed).

46.-(1) The Minister for Economic Affairs and the Interior shall be entitled to lay down detailed rules regarding the management of the local government's cash and accounting services, the reporting of the annual accounts, the audit and the decision in respect of comments.

(2) The Minister for Economic Affairs and the Interior may lay down detailed rules on preparation and disclosure of information to the local council on the financial situation of the local government.

Part 6

Supervision by the National Social Appeals Board

47.-(1) Supervision of the local governments and inter-municipal co-operations, cf. section 60, shall be performed by the National Social Appeals Board.

(3) While performing the supervision, the National Social Appeals Board shall not be subject to the instructions of the Minister for Economic Affairs and the Interior. The Minister for Economic Affairs and the Interior may prescribe general rules for performance of the powers of the National Social Appeals Board as part of the supervision.

48.-(1) The National Social Appeals Board shall supervise that the local governments and the inter-municipal co-operations, cf. section 60, comply with legislation that applies especially to public authorities, including local government regulations issued as a result of this legislation, cf. however subsections (2) and (3).

(2) The National Social Appeals Board shall not supervise that the local governments and the inter-municipal co-operations, cf. section 60, comply with employment regulations.

(3) The National Social Appeals Board shall make no supervision to the extent that a special complaint or supervisory authority is able to decide in the matter in question.

48a.-(1). The National Social Appeals Board must determine whether there are sufficient grounds for bringing a case before the National Social Appeals Board.

49.-(1) The local council and the governing body of an inter-municipal co-operation, cf. section 60, shall provide and communicate information to the National Social Appeals Board and deliver the documents the National Social Appeals Board requires regarding issues in the local government and in the inter-municipal co-operation, respectively.

(2) In special cases, the National Social Appeals Board may order the local council to procure comments from the auditors on the decisions of the local council concerning the audit reports and matters relating to the performance of the auditors' duties.. The 1st sentence of this subsection (2) applies by analogy to the governing body of an inter-municipal co-operation, cf. section 60. (3) The National Social Appeals Board may prescribe a deadline for procurement and communication of information and submission of documents according to subsections (1) and (2).

(4) The National Social Appeals Board may, when necessary, require a judicial inquiry in accordance with the Administration of Justice Act, section 1018.

(5) The National Social Appeals Board may ask other public authorities to render such guidance and assistance within their field of responsibility which is necessary for the performance of the supervision.

50.-(1) The National Social Appeals Board may give its opinion on the lawfulness of local government transactions or omissions.

50a.-(1) If the local council has made a decision which is in conflict with the law, the National Social Appeals Board may revoke the decision. While considering the matter, the National Social Appeals Board may suspend the decision in question temporarily. If the decision has been implemented, it can only be suspended or revoked if:

- (i) A party makes a written request to this effect to the National Social Appeals Board,(ii) There is no complaints board pursuant to any other law, and
- (iii) Important considerations, especially regarding private interests, do not speak against it.

(2) Subsection (1) shall also apply to a decision made by the finance committee, a standing committee or a corporation when the decision cannot be brought before the local council. Subsection (1) shall also apply to a decision made by the chairman of the local council according to section 31(1). Subsection (1) shall also apply to a decision made by a chairman of the finance committee or a standing committee according to section 22(2) when the decision cannot be brought before the local council. Furthermore, subsection (1) shall apply to a decision made by the governing body of an inter-municipal co-operation, cf. section 60.

50b.-(1) If the local council fails to perform an action which it is required to perform by legal provision, the National Social Appeals Board may impose penalty payments on the members of the local council who are responsible for the omission.

(2) A member cannot avoid responsibility by not voting.

(3) Subsections (1) and (2) shall also apply to members of the finance committee, a standing committee and a corporation in matters that cannot be brought before the local council. Subsection (1) shall also apply to the chairman of the local council in matters where the chairman fails to summon members of the local council to the ordinary and extraordinary meetings of the local council, cf. section 8(1) and (2). Subsection (1) applies by analogy to the chairman of the local council in cases where the chairman fails to give the member or the substitute and the other members of the local council notice in writing that the member or the substitute, as the case may be, is not eligible on account of punishment or has forfeited his or her eligibility on account of punishment, cf. section 101(3), (8) and (9) of the Local and Regional Elections Act. Subsections (1) and (2) shall also apply to members of the governing body of an inter-municipal co-operation, cf. section 60.

50c.-(1) The National Social Appeals Board may bring an action for damages against a local council member who is responsible for the local government having suffered a loss.

(2) A member cannot avoid responsibility by not voting.

(3) If a local council member in an action for damages pursuant to subsection (1) is found liable to pay damages for inflicting a loss on the municipality while performing his task, these damages may be reduced or be revoked to the extent that it is considered reasonable on the basis of the fault, the size of the damages and the general circumstances.

(4) Subsections (1) to (3) shall also apply to the members of the finance committee, a standing committee and a corporation. Subsection (1) and (3) shall also apply to the chairman of the local council in case of decisions made according to section 31(1). Subsections (1) and (3) shall also apply to a chairman of the finance committee or a standing committee in case of decisions made according to section 22(2). Subsections (1) to (3) shall also apply to members of the governing body of an inter-municipal co-operation, cf. section 60.

50d-(1) The National Social Appeals Board may waive its right to bring an action according to section 50.c. provided that the person in question within a fixed time-limit pays a specific amount to the local government or the inter-municipal co-operation, respectively. When determining the amount, the fault, size of the damage and general circumstances may be taken into consideration. If the person in question accepts to pay the amount and pays it within the time-limit stipulated, no further claim can be made against the person in question.

51-(1) The National Social Appeals Board may bring a declaratory action against a local council which has made a decision in conflict with the law or failed to perform an action that it is required to perform by legal provision or where the decision to perform an action has been revoked or temporarily suspended by the National Social Appeals Board, cf. section 50.a.

(2) Subsection (1) shall also apply to the finance committee, a standing committee or a corporation in matters that cannot be brought before the local council. Subsection (1) shall also apply to the chairman of the local council in case of decisions made according to section 31(1). Subsection 1 shall also apply to a chairman of the finance committee or a standing committee as regards decisions made according to section 22(2) which cannot be brought before the local council. Subsection (1) shall also apply to the governing body of an inter-municipal co-operation, cf. section 60.

Part 7

Supervision by the Minister for Economic Affairs and the Interior

52-(1) The National Social Appeals Board's decisions on application of the measures mentioned in sections 50.a to 50.d. may be brought before the Minister for Economic Affairs and the Interior by the governing bodies or the members of these governing bodies that the measures are directed at.

(2) The National Social Appeals Board's decisions regarding consent or approval pursuant to this Act or provisions prescribed in pursuance of this Act may be brought before the Minister for Economic Affairs and the Interior by the local council in question or by the governing body of an inter-municipal co-operation, cf. section 60, unless the decision is in full agreement with the local council or the inter-municipal co-operation.

(3) The Minister for Economic Affairs and the Interior may of his own motion consider the National Social Appeals Board's decisions on application or failure to apply the measures mentioned in sections 50.a. to 50.d. and on consent or approval pursuant to this Act or provisions prescribed pursuant to this Act when the minister deems that the matter is of fundamental or general importance or of a serious nature.

(4) The Minister for Economic Affairs and the Interior may ratify, revoke or change the National Social Appeals Board's decision as mentioned in subsections (1) to (3) and order the National Social Appeals Board to take up the matter for renewed consideration pursuant to sections 50 to 50.d. or pursuant to the provisions on consent or approval according to this Act or provisions prescribed pursuant to this Act. The Minister for Economic Affairs and the Interior may change the National Social Appeals Board's decision to the disadvantage of the body or the member which the decision involves, cf. however section 50.d, 3rd sentence. The Minister for Economic Affairs and the Interior may under the terms mentioned in section 51 institute a declaratory action or order the National Social Appeals Board to institute a declaratory action.

53-(1) The Minister for Economic Affairs and the Interior may of his own motion consider issues of the lawfulness of local government transactions or omissions on which the National Social Appeals Board has made comments according to section 50 when the minister deems that the matter is of fundamental or general importance or of a serious nature. This shall also apply if the National Social Appeals Board has decided not to consider any issues of the lawfulness of the local government transactions or omissions.

(2) The Minister for Economic Affairs and the Interior may comment on the lawfulness of the local government transaction or omission and make a decision according to sections 50.a to 50.d in this respect. The Minister for Economic Affairs and the Interior may also order the National Social Appeals Board to take up the matter for renewed consideration according to sections 50 to 50 d. The Minister for Economic Affairs and the Interior may under the terms mentioned in section 51 institute a declaratory action or order the National Social Appeals Board to institute a declaratory action.

53.a-(1) The Minister for Economic Affairs and the Interior may of his own motion and in addition to the instances mentioned in sections 52 and 53 consider issues of the lawfulness of the transactions or omissions of the National Social Appeals Board in connection with performance of the supervision when the minister finds it appropriate, taking into account whether the matter is of fundamental or general importance or of a serious nature.

(2) The Minister for Economic Affairs and the Interior may comment on the lawfulness of the transaction or omission of the National Social Appeals Board and ratify, revoke or change a decision made by the National Social Appeals Board. The Minister for Economic Affairs and the Interior may also order the National Social Appeals Board to take up the matter for renewed consideration.

54.-(1) The Minister for Economic Affairs and the Interior may order the National Social Appeals Board to take up a matter for consideration according to sections 50 to 50d.

55.-(1) The National Social Appeals Board and the Minister for Economic Affairs and the Interior may grant the minister's consideration of a matter according to sections 52 and 53.a stay of execution. The Minister for Economic Affairs and the Interior can revoke the National Social Appeals Board's decision to grant a stay of execution to the minister's consideration.

56.-(1) The local council, the governing body of an inter-municipal co-operation, cf. section 60, and the National Social Appeals Board shall provide and communicate information to the Minister for Economic Affairs and the Interior and deliver the documents the minister requires regarding issues in the local government and the inter-municipal co-operation, respectively, within the field of responsibility of the supervisory authority.

(2) In special cases, the Minister for Economic Affairs and the Interior may order the local council to procure comments from the auditors on the decisions of the local council concerning the audit reports and matters relating to the performance of the auditors' duties. The 1st sentence hereof applies by analogy to the governing body of an inter-municipal co-operation, cf. section 60.

(3) The Minister for Economic Affairs and the Interior may prescribe a deadline for procurement and communication of information and submission of documents according to subsections (1) and (2).

(4) The Minister for Economic Affairs and the Interior may, when necessary, require a judicial inquiry in accordance with the Administration of Justice Act, section 1018.

(5) The Minister for Economic Affairs and the Interior may ask other public authorities within their field of responsibility to render the guidance and assistance requisite for the performance of the supervision.

Part 8

Special Provisions

57.-(1) The Minister for Economic Affairs and the Interior shall prescribe the form of the local governments' annual budget, multi-annual budget estimates and accounts.

(2) The local government's annual accounts shall be forwarded to the National Social Appeals Board, together with the audit report and the decisions made by the local council in this respect, cf. section 45(2). The deadline for submission of the accounts to the National Social Appeals Board shall be prescribed by the Minister for Economic Affairs and the Interior.

(3) When the auditors submit an interim audit report, cf. section 42(4), to the local council, the auditors shall inform the National Social Appeals Board accordingly.

57.a. (Repealed).

58.-(1) The Minister for Economic Affairs and the Interior may lay down rules for the contracting of loans and similar transactions of the local governments.

(2) The Minister for Economic Affairs and the Interior may lay down rules concerning the accounts between the local governments and municipal utility companies.

59.-(1) The Minister for Economic Affairs and the Interior may lay down rules concerning access of the local council to bind the local government by security or any other financial guarantee and by commitments to make regular contributions or the like which the local government are not legally obliged to provide.

60.-(1) Cooperation agreements between local governments which will entail restriction of the powers of the individual participating local councils according to this Act shall require the approval of the National Social Appeals Board unless otherwise especially provided by law, cf. however section 60 a.

(2) Agreements of the nature referred to in subsection (1) may be cancelled if the participants are agreed. Moreover, cancellation may take place upon request from a participant if the National Social Appeals Board considers it justified.

(3) The conditions for the cancellation of the agreement shall be approved by the National Social Appeals Board and shall be laid down by this authority in case of any dispute between the participants.

60.a. (1) Agreements on inter-municipal co-operation, cf. section 60(1), which meet the criteria in section 1a(1)(iv) of the Auditors Act (*revisorloven*) are not subject to approval from the National Social Appeals Board. Section 60(2) and (3) does not apply to such agreements.

(2) Agreements covered by subsection (1) may be terminated on the terms set out in the agreement when so decided by a majority of the participants. A participant may rescind such agreement on the terms set out in the agreement.

(3) The participants must within reasonable time notify the National Social Appeals Board of conclusion, termination or rescission from agreements covered by subsection (1).

(4) Agreements covered by subsection (1) may only include terms providing that the inter-municipal co-operation will pay attendance fees and compensation for documented loss of earnings under the rules in section 16a(2) and (3) to the members of the governing body of the inter-municipal co-operation for attendance in meetings in connection with the performance of their duties.

61.-(1) A member of the local council who becomes guilty of gross dereliction of the duties involved in his office shall be fined. Inadvertent neglect of one's duty shall not be punished.

62-62c. (Annulled)

62.d.-(1) The Minister for Economic Affairs and the Interior may lay down rules on the calculation of costs in case of the local government's own performance of a task for which the local government decides to invite to tender for public contracts (control bid) and on submission of control bids.

(2) The Minister for Economic Affairs and the Interior may lay down rules to the effect that the Public Contracts Appeals Board according to the rules in the Act on the Enforcement of Public Procurement Rules etc. (*lov om håndhævelse af udbudsreglerne mv.*) and provisions issued in pursuance hereof may process complaints regarding the local government's violation of rules laid down in pursuance of subsection (1).

62.e. (Repealed).

63.-(1) The local council, the governing body of the inter-municipal co-operation, cf. section 60, and the National Social Appeals Board shall provide and communicate the information to the appropriate minister and submit the documents that he may require regarding matters pertaining to the local government and the inter-municipal co-operation, respectively, within the sphere of activities of the supervisory authority.

(2) The minister may prescribe a time-limit for provision and communication of information and submission of documents according to subsection (1).

63.a-(1) The appropriate minister may comment on the lawfulness of local government transactions or omissions. The Minister shall decide whether there are adequate grounds to make such a statement.

63.b-(1) The Minister for Economic Affairs and the Interior appoints three special, independent ghetto representatives with effect for the term of office of the local councils. If a ghetto representative resigns, dies, or has long-term absence, the Minister of Economic Affairs and the Interior appoints a new ghetto representative for the remainder of the term of office.

(2) The ghetto representatives follow the efforts of social housing organizations, municipalities and state authorities to counter ghetto areas and vulnerable residential areas, including efforts to reduce the number of ghetto areas and vulnerable residential areas and the municipalities' efforts regarding repatriation from such areas. The ghetto representatives follow the development in relation to milestones in the master plans and development plans for the areas mentioned in the 1st sentence hereof. The ghetto representatives' assessments of the mentioned efforts and their recommendations for changes hereof cannot relate to the prioritisation of state

resources.

(3) The ghetto representatives publish their written assessments and recommendations.

(4) In special cases where the ghetto representatives assess that the efforts countering ghetto areas and vulnerable residential areas, including the efforts to reduce the number of ghetto areas and vulnerable residential areas, do not have sufficient effect, and that a specific municipal decision is necessary in order to ensure satisfactory development, the ghetto representatives may, in consensus, request that the local council consider the ghetto representatives' reasoned proposal for this decision. The ghetto representatives publish the proposal and the reason for the proposal. The local council must decide on the proposal within 3 months after the ghetto representatives have presented the reasoned proposal in writing to the local council. If the local council does not adopt the proposal, the local council must publish the reason or reasons for this together with the transcript of the resolution minutes.

(5) Social housing organizations, local councils and state authorities must procure and notify the ghetto representatives of information required by the ghetto representatives for their tasks. The ghetto representatives can set a deadline for the procurement and notification of information.

(6) The ghetto representatives report quarterly to the Minister for Economic Affairs and Interior.

(7) The Ministry for Economic Affairs and the Interior together with the Ministry of Transport, Building, and Housing serves as secretariat for the ghetto representatives.

64.-(1) The government by-law for the City of Copenhagen and the municipalities of Frederiksberg, Odense, Aalborg and Aarhus may provide for a decision to set up a corporation to participate in the management of local government affairs. The rules in section 6(3), second sentence and section 7(2) second sentence shall also apply to the members of the corporation.

(2) Provisions for the immediate management of local government affairs, including which transactions to be referred to individual members of the corporation for implementation at their own responsibility, shall be laid down in the government by-law.

(3) The government by-law further provides for departures from the contents of this Act made desirable by the corporation system.

64.a.-(1) The government by-law for the City of Copenhagen and the municipalities of Frederiksberg, Odense, Aalborg and Aarhus may provide that the chairmen of the standing committees shall be in charge of the overall daily management of the part of the local government administration that attend to the administrative areas of the committee. The chairman of the local council shall be in charge of the overall daily management of the remaining local government administration unless otherwise provided for in the government by-law.

(2) Management of the administration by the chairmen of committees shall be governed by the rules of section 31(3), third and fourth sentences, and subsection (4). Management of the administration by the chairman of the local council shall be governed by the rules of section 31(3), second, third and fourth sentences and subsection (4). The rules of section 6(3), second sentence, section 7(2), second sentence, and section 11(1), second sentence shall apply correspondingly to the chairmen of the committees.

(3) The rules of subsections (1) and (2) may also be applied if a local government specified in subsection (1) above is managed according to the rules of section 65.

(4) When a chairman of a committee is prevented from attending for at least one month, the committee shall appoint a member to attend to the functions of the chairman during his absence, including management of the administration. If the local government is managed according to the rules of section 65, cf. subsection (3), the member to attend to the functions of the chairman, including management of the administration and membership of the finance committee, shall be appointed by the group who appointed the chairman of the committee.

(5) The chairmen of the committees in local governments managed according to the rules of subsections (1) to (4) may be designated councillors. In the City of Copenhagen, the chairmen of the committees may be designated mayors and the chairman of the City Council chief mayor.

64.b.-(1) The local council may in the government by-law make a provision that the standing committees and the finance committee do not or only within certain of their areas attend to the immediate management of local government affairs, cf. however section 2.

(2) The finance committee shall attend to the tasks that have been assigned to the finance committee according to section 18(2) to (4), section 37 and section 45(1) and (2).

(3) Subsections (1) and (2) shall also apply if the local government is managed according to the rules in section 64.a, section 65 or both provisions.

65.-(1) In the local government by-law the local council may provide for the finance committee to be composed

by the chairman of the local council, who is also the chairman of the committee, and the chairmen of the standing committees and perhaps an additional number of local council members.

(2) The chairmen of the standing committees shall be elected by the local council at the constituent meeting immediately following the election of the chairman and the vice-chairman (vice-chairmen) of the local council. The election shall be by proportional representation and so that the same group registration shall apply at subsequent elections to the standing committees and the finance committee, cf. subsections (3) and (4). The elections shall remain effective for the term of office of the local council.

(3) The groups shall, in the order in which they have obtained the right to occupy seats as chairmen of committees, determine in which committees and with which members they want to occupy the chairmanships. No member shall be appointed for more than one chairmanship. At the allocation, the post as chairman of the finance committee shall be considered the first of the chairmanships for allocation to the group in the local council to which the chairman of the local council belongs. When the chairmen of the committees have been elected, the other members of the standing committees shall be elected according to the rules of sections 25 and 27, the seat of chairman of a committee being considered the first seat to be allocated to the group to which the chairman of the committee belongs in the local council.

(4) If the local government by-law provides for the finance committee to be composed by an additional number of members of the local council, cf. subsection (1), the members shall be elected to the finance committee by proportional representation and so that the seats occupied in accordance with subsection (1) shall be deducted from the seats of the relevant group.

(5) A local council that makes a decision according to subsection (1) may in the local government by-law effective for future election periods provide for the election of the chairman of the local council and the chairmen of the standing committees to be made simultaneously by proportional representation, cf. subsection (2), second sentence. The group that obtains the highest quotient at the election shall be entitled to appoint the chairman of the local council. The group that appoints the chairman of the local council shall also appoint the vice-chairman unless two vice-chairmen are elected, cf. section 6(5). The provision in the government by-law according to the first sentence or cancellation of this provision shall be adopted prior to the day of election, cf. section 6(2) in the Local and Regional Elections Act.

(6) When a chairman or a vice-chairman appointed pursuant to subsection (5) is relieved from his duties, dies or resigns from the local council, the vacant seat shall be occupied by the group in the local council that has appointed the resigning chairman or vice-chairman for the remaining term of office of the local council.

(7) When the substitute for a chairman or a vice-chairman who has been appointed pursuant to subsection (5) has entered according to section 15(2) and the impediment has an expected duration of at least two months, the group who has appointed the chairman or the vice-chairman shall appoint the person to attend to the duties of the chairman or vice-chairman in their absence.

65.a.-(1) In the local government by-law the local council may stipulate that a finance committee and standing committees shall not be set up for the immediate management of local government affairs.

(2) In local governments managed according to the rules of subsection (1), the chairman of the local council shall assume the powers which are vested in the finance committee by sections 37(1) and 45(1).

65.b.-(1) Any decision to the effect that a local government shall be managed according to the rules of sections 64, 64.a, 64.b, 65 and 65.a shall be made prior to or during the election period of the local council. If, during the election period, a local council has adopted a change in the government system, this will be binding for the remainder of the election period.

(2) The Minister for Economic Affairs and the Interior may lay down detailed rules regarding the management of the local governments using the rules of sections 64.a, 64.b, 65 and 65.a, including rules on fees and the like which are at variance with the rules of section 16.

65.c.-(1) Subject to the approval of the Minister for Economic Affairs and the Interior, a local council may lay down rules in the local government by-law valid for an election period which are at variance with the rules of sections 16, 16.a, 17, 18, 19, 20(4) and (5), sections 21, 22, 27, 37, 38 and section 45(1) and (2).

(2) Subject to the approval of the Minister for Economic Affairs and the Interior, a local council may in the local government by-law provide for a government system other than government by committees according to Part 3 and the government systems stated in sections 64, 64.a, 64.b, 65 and 65.a. A decision to this effect shall be made prior to or during the election period and shall apply for no more than the duration of the election period or the remainder of the election period.

(3) The Minister for Economic Affairs and the Interior may lay down detailed rules for a government system approved according to subsection (2) including any variances from the contents of this Act rendered necessary or

desirable by the government system.

65.d.-(1) A local council may provide for the setting up of neighbourhood committees, including referral of competence to make decisions to the neighbourhood committees in specific local government affairs. The members of the neighbourhood committees shall be elected by the local council. The local council may decide that a number of observers shall participate in neighbourhood committee meetings.

(2) For independent performance by neighbourhood committees, tasks may be referred within the following areas:

- (i) Tasks concerning the provision of local development plans, cf. Parts 5 and 6 in the Planning Act in areas which have been reserved for housing in local government plans;
- (ii) Exemptions from local development plans and town plan by-laws, cf. sections 19, 20 and 21(1) in the Planning Act in the areas specified in number (i);
- (iii) Tasks in connection with easement provisions, cf. section 43 in the Planning Act as regards properties in the areas specified in number (i);
- (iv) Tasks concerning road safety, abatement of road traffic, and traffic regulating measures, cf. Part 2 of the Public Roads Act and section 57 of the Private Common Roads Act;
- (v) Tasks related to maintenance and repair of private common roads, cf. Parts 6 and 9 of the Private Common Roads Act;
- (vi) Tasks in connection with the nuisance of noise in connection with recreational activities, cf. section 42 of the Environmental Protection Act;
- (vii) Tasks according to rules on anti-pollution measures laid down in pursuance of sections 16 and 18 in the Environmental Protection Act;
- (viii) Tasks according to Part 6 of the Danish Folkeskole Act.
- (ix) Tasks related to private day care and day care institutions for children and young people, cf. sections 7, 19 and 63 in the Social Services Act;
- (x) Tasks according to the unwritten rules of law regarding the performance of local government services.

(3) If in pursuance of subsection (2) the local council refers tasks to the neighbourhood committees for independent performance, the detailed rules regarding the neighbourhood committees and their activities shall be laid down in regulations. The regulations may provide for a fee to be paid to the chairman. Furthermore, the regulations may contain provisions, including provisions regarding departures from the contents of this Act which the setting up of neighbourhood committees makes desirable.

(4) The regulations relating to neighbourhood committees shall be adopted by the local council according to the rules applying to adoption of the local government by-law, cf. section 2(2) and approved by the Minister for Economic Affairs and the Interior upon negotiation with the appropriate minister. The regulations and any amendments herein shall be published.

(5) Any decisions of the neighbourhood committees regarding affairs, which according to subsection (2) are referred to the neighbourhood committees for independent performance, may be brought before superior authorities to the same extent as if they had been made by the local council.

(6) The rules of sections 47 to 56, 61 and 63 shall be applied correspondingly to the neighbourhood committees and their members.

65.e.-(1) The local council may in the local government by-law stipulate establishment of a citizen counselling function that does not fall under the immediate management of local government affairs performed by the standing committees or the finance committee. The manager of the citizen counselling function shall be employed and dismissed by the local council.

(2) The finance committee shall in terms of the citizen counselling function attend to the tasks that the finance committee has been assigned according to section 18(2) to (4), section 37 and section 45(1) and (2).

(3) The citizen counselling function does not fall under the mayor's overall daily management of the local government administration.

(4) The citizen counselling function may only attend to tasks regarding counselling and advice to citizens and supervision of the local government administration.

(5) Subsections (1) to (4) shall also apply if the local government is managed according to the rules in section 64.a, 64.b, 65, 65.a or more of the provisions mentioned.

66. (1) If the mayor fails with intent or gross negligence to perform a duty incumbent upon him or her by virtue of this Act, the local council may under the rules in section 24(1) appoint one of its members to perform the duty which such failure concerns.

(2) Subsection (1) applies by analogy to a member of a corporation and the chairman of a committee in a local government managed in accordance with the rules in both section 64a and section 65.

66 a. (1) If the mayor fails with intent or gross negligence to perform a duty incumbent on him or her under this Act, the mayor may be removed from office if such failure is particularly gross. The local council must submit a reasoned recommendation to the Election Board appointed under the Folketing (Parliamentary) Elections Act (*lov om valg til Folketinget*). If the Board finds that the conditions of removal are satisfied, the Board must decide whether the mayor is to be removed from office.

(2) The local council must give prompt notice in writing to the mayor of the recommendation of the local council.

(3) If and when required, the Election Board may demand an official inquiry in accordance with section 1018 of the Administration of Justice Act. If the mayor so requests, the mayor must be given the opportunity to present his or her case to the Election Board as directed by the Board.

(4) When the decision of the Election Board under subsection (1) to remove the mayor from office is available, the local council must appoint one of its members as mayor for the remainder of the term under the rules in section 24(1).

(5) A mayor who has been removed from office will cease to receive remuneration from the end of the month in which the Election Board makes its decision to remove the mayor from office under subsection (1).

(6) Subsections (1)-(5) apply by analogy to a member of a corporation and the chairman of a committee in a local government managed in accordance with the rules in both section 64a and section 65. It is, however, the responsibility of the electoral coalition in the local council which has appointed the member removed from office to refill the position.

66b.-(1) Where a mayor is charged with a criminal offence punishable by imprisonment for a period of four years or more, the local council may request the Election Board to suspend the mayor. If the passing of a sentence for the offence will cause the mayor to forfeit his or her eligibility, and suspension cannot be deemed to be inadvisable, the Board must make a decision to suspend the mayor. The suspension will run until the mayor resigns from the local council, cf. subsection (4), or returns to his or her post as mayor, cf. subsection (5).

(2) The local council must give prompt notice in writing to the mayor of the request of the local council.

(3) When a decision in the Election Board under subsection (1) to suspend the mayor is available, the local council must appoint one of its members to act as mayor in accordance with the rules in section 24(1).

(4) If the suspended mayor forfeits his or her eligibility on account of punishment for the criminal offences mentioned in subsection (1) and therefore resigns from the local council under the relevant provisions in the Local and Regional Elections Act (*lov om kommunale og regionale valg*), the mayor acting under subsection (3) must continue as mayor for the remainder of the term.

(5) Where prosecution against the suspended mayor is abandoned, where the mayor is acquitted by final judgment or where the mayor continues to be eligible after a final judgment or extrajudicial measure, cf. section 4(1) and (2) of the Local and Regional Elections Act, the mayor must resume office for the remainder of the term. After an acquitting judgment rendered by the High Court, the mayor will, however, not resume office until the ordinary time-limit for application for permission to appeal to the Supreme Court has expired without such application having been submitted within the time-limit or, where such application has been submitted within the time-limit, until the mayor has been finally acquitted.

(6) The Prosecution Service must notify the local council of any charge brought against a mayor for a crime that can lead to imprisonment for four years or more under current legislation.

(7) A suspended mayor will cease to receive remuneration at the end of the month in which the Election Board takes its decision to suspend the mayor. If the suspended mayor resumes office, cf. subsection (5), the mayor has a claim for back payment of the remuneration for the suspension period.

(8) Subsections (1)-(7) apply by analogy to a member of a corporation or the chairman of a committee in the local government managed in accordance with the rules in both section 64a and section 65. It is, however, the responsibility of the electoral coalition in the local council which has appointed the member removed from office to appoint the member who is to carry out the duties temporarily.

66c.-(1) Where a mayor proves, in or outside his or her office, not to deserve the respect and trust that the position demands, and where the local council decides that for this reason, the local council does not trust the mayor, who must therefore be removed from office, the mayor will be deemed to have been relieved from office.

(2) A decision under subsection (1) requires that at least nine-tenths of all members of the local council vote in favour of the decision and the grounds for the decision during the considerations of the proposal by the local

council, cf. subsection (3), always provided that it is sufficient if all members of the local council, except the mayor, vote in favour.

(3) Any proposal to remove the mayor from office under subsection (1) must be submitted to two stages of consideration by the local council at intervals of not less than six days and not more than twelve days. The decision of the local council under subsection (1) and the grounds for such decision must be entered in the records of decisions after each consideration stage, cf. section 13. The local council must give prompt notice in writing to the mayor of the decision under subsection (1).

(4) The mayor is entitled to attend the local council's consideration and voting processes.

(5) Where a decision has been taken in accordance with subsection (1), the local council must appoint one of its members as mayor for the remainder of the term in accordance with the rules in section 24(1).

(6) The removed mayor may bring the legality of the decision taken by the local council under subsection (1) before the Election Board. Complaints must be submitted to the Board not later than 14 days after the local council's second consideration of the proposal to remove the mayor from office.

(7) Where the Election Board decides that the decision under subsection (1) was not legal, the removed mayor must return to his or her post for the remainder of the term.

(8) The removed mayor will cease to receive remuneration at the end of the month in which the local council takes the decision to remove the mayor from office under subsection (1). If the removed mayor resumes office under subsection (7), the removed mayor must, in terms of remuneration, be placed as if he or she had not been removed from office.

(9) Subsections (1)-(8) apply by analogy to a member of a corporation and the chairman of a committee in a local government managed in accordance with the rules in both section 64a and section 65. It is, however, the responsibility of the electoral coalition in the local council which has appointed the member removed from office to refill the position.

66d.-(1) A mayor is entitled to reimbursement from the local council of legal fees and expenses for the legal adviser appointed by the mayor to represent or assist him or her in a case under sections 66a-66c in accordance with the rules in subsections (2) and (3).

(2) The expenses must be associated with a case under sections 66a-66c.

(3) The local council will set the fees and expenses for the legal adviser according to the rates applicable to court-appointed defence counsel in criminal cases.

(4) Subsections (1)-(3) apply by analogy to a member of a corporation and the chairman of a committee in a local government managed in accordance with the rules in both section 64a and section 65.

67.-(1) Provisions regarding pay and employment for local government employees must be approved by the Pay Board mentioned in subsection (2). Furthermore, the Board shall approve the provisions on pay and employment for employees in autonomous local government harbours, cf. the Harbour Act, staff employed in transport companies, cf. the Transport Company Act, and employees with functions similar to those of public servants working for private railways. The Minister for Economic Affairs and the Interior may decide that pay and other matters of employment for employees at private institutions with which local governments enter into agreements for the purpose of fulfilment of the obligations imposed upon them by legal provision, shall be approved by the Board. The Board may decide that the number of positions in specific job classifications which are moreover covered by the power of authorisation of the Board shall be submitted to the Board for approval.

(2) The Local Government Pay Board consists of eight members and substitutes for these members to be appointed by the Minister for Economic Affairs and the Interior. The procedure is that four members shall be appointed upon recommendation by Local Government Denmark, two members shall be appointed upon recommendation by the regional councils jointly, one member shall be appointed upon recommendation by the Minister of Finance and one member shall be appointed by the Minister for Economic Affairs and the Interior.

(3) If changes or failure to organise the municipalities in associations of local authorities give rise hereto, the Minister for Economic Affairs and the Interior may prescribe the changes as regards right of recommendation to membership of the Board and payment of costs for the activities of the Board that the Minister for Economic Affairs and the Interior deems necessary.

(4) The detailed rules governing the composition and activities of the Pay Board shall be laid down by the Minister for Economic Affairs and the Interior upon discussions with the associations of local authorities and local councils with a right to appoint members for the Board, cf. subsections (2) and (3).

68.-(1) No sale of real property of the local government shall take place unless by prior public procurement. The Minister for Economic Affairs and the Interior may lay down the rules of procedure for public procurement and rules to the effect that certain sales may take place without public procurement.

(2) The rules of subsection (1) shall not apply to the sale of real property for subsidised housing construction according to the Social Housing Act and the Act on Subsidised Private Housing for Young People.

68.a.-(1) The local council may appoint one or more of the members of the executive committee of a society, association, foundation or the like which performs tasks which the local government may solve itself notwithstanding that the society, association, foundation or the like also performs tasks which the local government cannot solve itself, if the local government has an interest in the activity carried out by the society, association, foundation or the like. The local council shall not be allowed to appoint a majority of the members of such an executive committee.

(2) The local council may appoint one or more members of the executive committee of a society, association, foundation or the like which exclusively performs tasks which the local government cannot solve itself, if the local government has an interest in the activity carried out by the society, association, foundation or the like. The local council shall not be allowed to appoint a majority of the members of such an executive committee.

(3) A member of the executive committee of a society, association foundation or the like appointed in pursuance of subsection (1) shall not be governed by the decision of the local council in performing his duties as regards the performance of tasks which the local government cannot solve itself or to the extent it may otherwise follow from the legislation applying to the relevant society, association, foundation or the like. A member of the executive committee of a society, association, foundation or the like appointed in pursuance of subsection (2) shall not be governed by the decision of the local council in performing his duties.

69.-(1) If during a crisis or war it is not possible to convene the local council for meetings, the finance committee shall assume the powers vested in the local council and its committees. In local governments with a corporation system, cf. section 64, the corporation shall assume the powers of the local council.

(2) If it is not possible to convene the finance committee for meetings during a crisis or war, the local government affairs shall be managed by the mayor. If it is not possible in local governments with a corporation system to convene the corporation for meetings, the local government shall be managed by the mayor.

(3) Notification of application of the rules of subsections (1) and (2) shall be given to the Minister for Economic Affairs and the Interior as soon as possible. The Minister for Economic Affairs and the Interior may lay down detailed rules for local government during crisis or war.

70.-(1) This Act shall enter into force on April 1, 1970, cf. however subsections (4) and (5).

(2) The Act or parts hereof may be made operative prior to this date for certain local governments as the Minister for Economic Affairs and the Interior may decide.

(3) The following provisions shall be abolished:

- (i) Urban Local Government Act, cf. Consolidated Act No. 362 of September 22, 1965.
- (ii) Rural Local Government Act, cf. Consolidated Act No. 363 of September 22, 1965, with the exception of Part 3.
- (iii) Local Government Election Act, cf. Consolidated Act No. 455 of December 21, 1965, sections 32 and 37(1).
- (iv) Local Government Election Act No. 79 of April 20, 1908, section 22.
- (v) Act Regarding Changes In and Supplements To the Existing Rules for Local Taxes and State Grants to Local Governments No. 85 of May 15, 1903, section 35.

(4) Omitted

(5) The Minister for Economic Affairs and the Interior may decide that section 67 shall enter into force at an earlier date than specified in subsection (1). At the same time as section 67 is enacted, the following provisions shall be abolished:

- (i) Urban Local Government Act, cf. Consolidated Act No. 362 of September 22 1965, sections 20 and 31(3).
- (ii) Rural Local Government Act, cf. Consolidated Act No. 363 of September 22, 1965, sections 15(3) and 29(3).
- (iii) Act Regarding Changes In and Supplements To the Government of the Affairs of the City of Copenhagen Act No. 75 of March 18, 1938, section 8(1).

71.-(1) The Act shall not apply to the Faroe Islands and Greenland.