

Issuer:	Riigikogu
Type:	act
In force from:	01.01.2018
In force until:	In force
Translation published:	07.11.2017

# Local Authority Associations Act

Passed 06.11.2002  
RT I 2002, 96, 565  
Entry into force 01.01.2003

Amended by the following acts

Passed	Published	Entry into force
29.10.2009	RT I 2009, 54, 363	01.01.2010
14.06.2017	RT I, 04.07.2017, 2	01.01.2018

## Chapter 1 GENERAL PROVISIONS

### § 1. Scope of regulation of Act

(1) This Act provides the specifications for the foundation and activities of county and regional associations of local authorities and national associations of local authorities (hereinafter jointly referred to as *associations*) as compared to the Non-profit Associations Act.  
[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

(2) An association is a non-profit association to which the Non-profit Associations Act applies, taking account of the specifications provided for in this Act.

### § 2. County associations of local authorities

(1) Local authorities in a county may establish a county association of local authorities (hereinafter *county association*).

(2) The objectives of a county association are, through the joint activity of the local authorities in the county, to foster balanced and sustainable development of the county, to preserve and promote the cultural traditions of the county, to represent the county and the members of the association, to protect the common interests of its members, to promote co-operation between the local authorities in the county and to create possibilities for improved performance of the statutory functions of its members.

(3) The name of a county association shall refer to the county in which the local authorities belonging to the association are located and shall include the attribute in Estonian “*omavalitsusüksuste liit*” [local authority association] or “*omavalitsuste liit*” [local government association]. Unions of local authorities which do not meet the requirements of this Act are prohibited from using the attribute “*omavalitsusüksuste liit*” or “*omavalitsuste liit*” in their names.

### § 2<sup>1</sup>. Regional associations of local authorities

(1) Local authorities in several counties may mutually establish a regional association of local governments (hereinafter *regional association*). A regional association comprises local authorities in the composition of the territory of two or more counties.

(2) The objectives of a regional association are, through the joint activity of the local authorities in the region, to foster balanced and sustainable development of the region, to preserve and promote the cultural traditions of the region, to represent the region and the members of the association, to protect the common interests of its members, to promote co-operation between the local authorities in the region and to create possibilities for improved performance of the statutory functions of its members.

(3) The name of a regional association shall refer to the region where the local authorities which are members of the association are located and shall include the attribute in Estonian “*omavalitsusüksuste liit*” [local authority association] or “*omavalitsuste liit*” [local government association].  
[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

### **§ 3. National associations of local authorities**

(1) Local authorities may establish a national association of local authorities (hereinafter *national association*).

(2) The objectives of a national association are, through the joint activity of the local authorities, to foster the development of local government in general, to represent its members, to protect the common interests of its members, to promote co-operation between its members and to create possibilities for improved performance of the statutory functions for its members.

(3) The name of a national association shall refer to the national scope of the association and to the fact that it is an association of local authorities.

## **Chapter 2 SPECIFICATIONS FOR ESTABLISHMENT AND ACTIVITIES OF ASSOCIATIONS**

### **§ 4. Establishment**

(1) A county association may be established jointly by more than one-half of the local authorities in that county. A regional association may be established jointly by more than one-half of the local authorities in each participating county.  
[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

(2) A national association may be established jointly by more than one half of the local authorities in Estonia or by local authorities whose combined population, according to the data in the population register, constitutes more than one half of the population of Estonia.

(3) A local authority may simultaneously belong to one county or regional association and one national association.  
[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

### **§ 5. Articles of association**

(1) The following information shall be set out in the statutes of an association:

- 1) the name and registered office of the association;
- 2) the procedure for members to be accepted into the association and for members to resign or be excluded from the association;
- 3) the functions of the association;
- 4) the bodies of the association;
- 5) the bases for the determination of representation of members at the general meeting and in other bodies;
- 6) the procedure for appointment of representatives to the bodies of the association and for their replacement;
- 7) the authority of the bodies of the association and the procedure for representation;
- 8) the principles for the establishment of membership fees, and the participation of the members of the association in the procurement and use of the property of the association and in the performance of the functions of the association;
- 9) the rights and obligations of the members;
- 10) the procedure for amendment of the statutes;
- 11) the principles for evaluation of the results of the activities of the association, financial control over the activities of the association, and the possibilities and procedure for reacting to any deficiencies detected;
- 12) the bases and procedure for termination of the activities of the association;
- 13) the distribution of assets upon termination of the activities of the association.

(2) If the statutes of an association prescribe that the proportion of the population of the local authorities who are the members of the association is to be taken into account upon determination of the representation of the members in the bodies of the association or for other reasons, the corresponding calculations shall be made using the population of the local authorities as at 1 June in the year of the last municipal council elections according to the data in the population register.

### **§ 6. Members**

(1) An association shall not refuse to accept a local authority as a member of the association if the local authority complies with the requirements for members of a county association or national association.

(2) If the number of members of an association falls below the number set out in § 4 of this Act and if it does not prove possible to increase the number of members to the number set out in § 4 over a period of six months,

the statutes of the association shall be amended, to transform the association into another type of union of local authorities or the activities of the association shall be terminated.

(3) In the event of alteration of the administrative-territorial organisation, the member status of the members of the association shall be transferred to the new local authority provided that all of the former local authorities were members of the association.

(4) The proportion of representation held in the bodies of an association by a local authority established as a result of alteration of the administrative-territorial organisation shall be determined on the basis of the characteristics of the new local authority.

(5) The detailed procedure for the transfer of member status shall be prescribed in the statutes.

(6) If not all the former local authorities are members of the same association, their member status shall terminate in the event of alteration of the administrative-territorial organisation.

(7) Upon application by an association for entry in the non-profit associations and foundations register, the list of members of the association shall be appended. When a member is accepted into an association or if the member leaves the association or is excluded from the association or its member status is transferred, the association shall immediately submit a notice to this effect to the registrar of the non-profit associations and foundations register.

### **§ 7. General meeting**

(1) Each member of an association has the right to participate in the general meeting through its representative. In the cases prescribed in the statutes of an association, a member may have several representatives.

(2) Members shall appoint their representatives to the general meeting for the term of the authority of the municipal council. A substitute shall be designated for each representative. The representative and his or her substitute shall be appointed from among the members of the municipal council or administration. The council may remove the representative or his or her substitute, regardless of the reason, and appoint a new representative or substitute.

(3) Resolutions of the general meeting shall be adopted at the general meeting by a majority of votes in favour on the part of the participating representatives. Each representative has one vote. The law or the statutes may prescribe a greater majority requirement for a resolution to be adopted or may prescribe that a resolution is adopted if no representative votes against it.

(4) In the case of associations, the majority of votes of the members specified in the Non-profit Associations Act is deemed to be the majority of votes in favour specified in subsection (3) of this Act.

## **Chapter 3 FUNCTIONS OF ASSOCIATIONS AND FINANCING OF ASSOCIATIONS**

### **§ 8. Representative functions of associations**

(1) An association shall represent the local authorities belonging to the association as a single entity in relations with state bodies, other persons and international organisations.

(2) A county association shall represent the common interests of the local authorities in the county, and a regional association shall represent the common interests of the local authorities in the counties belonging to the region in relations with state bodies, other persons and international organisations.  
[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

(2<sup>1</sup>) A county association may form a joint regional representation with another association or associations. In such case, the associations shall decide on the following issues pursuant to their statutes:

- 1) coordination and establishment of the number of staff of the joint representation and the principles of representation;
- 2) coordination and establishment of the principles of clerical support and allocation of funds to the joint representation;
- 3) appointment of the representatives of the association to the joint representation and, if necessary, removal from the joint representation.

[RT I, 04.07.2017, 2 - entry into force 01.01.2018]

(3) In order to protect the common interests of its members, an association has the right to file an action with an administrative court.

#### **§ 9. Local government functions performed by associations**

(1) An association shall perform those functions of a local government which the general meeting has decided should be performed jointly through the association. The general meeting may adopt a resolution by which the association undertakes to perform the functions of another association on the basis of a contract.

(2) An association shall perform local government functions on behalf of those local authorities where the council has decided that the functions should be performed jointly through the association.

(3) Functions which require the exercise of powers of public authority shall be transferred to an association for performance only if corresponding authorisation provided by law has been granted.

(4) Functions which have been assigned to a local government by law or on the basis thereof shall be transferred to an association for performance only if corresponding authorisation provided by law has been granted.

#### **§ 10. State functions performed by associations**

(1) An association shall perform functions assigned to it by law or on the basis thereof.

(2) An association may enter into a contract with a governmental authority by which the association undertakes to perform a state function.

(3) An association may undertake to perform a state function provided that none of the local authorities which are members of the association are against it.

(4) Costs related to the performance of functions assigned to an association by law or on the basis thereof shall be covered from the state budget.

#### **§ 11. Financing of associations**

Performance of the functions of an association shall be financed from:

- 1) membership fees;
- 2) grants and donations;
- 3) income received from the activities of the association as specified in its statutes;
- 4) allocations from the state budget in the cases prescribed by law or on the basis of law.

#### **§ 11<sup>1</sup>. Annual report**

An association shall submit the annual report without information concerning the principal activity in accordance with subsections 36 (5) and 78 (3) of the Non-profit Associations Act.  
[RT I 2009, 54, 363 - entry into force 01.01.2010]

## **Chapter 4 FINAL PROVISIONS**

#### **§ 12. Re-registration of associations**

(1) Local authority associations registered in the register of enterprises, agencies and organisations of the Republic of Estonia (hereinafter *enterprise register*) shall be re-registered in the non-profit associations and foundations register.

(2) Applications for re-registration which conform to the requirements of the Non-profit Associations Act shall be submitted to the registrar of the non-profit associations and foundations register not later than by 1 January 2004. The documents required by subsection 93 (2) of the Non-profit Associations Act and a list of the members of the association shall be appended to each application.

(3) If an association registered in the enterprise register has not been registered in the register as a non-profit association by 1 January 2004, or if the application for the association to be entered in the appropriate register has not been submitted to the registrar by that date, or if the application is denied after that date, the association shall be deemed to have undergone compulsory dissolution and shall be liquidated pursuant to the procedure prescribed in § 95 of the Non-profit Associations Act. Publication of notices concerning the compulsory dissolution of associations in the official publication *Ametlikud Teadaandedis* exempt from state fees.

(4) A local authority association which is registered in the non-profit associations and foundations register and which conforms to the requirements set out in § 4 of this Act shall bring its statutes into compliance with this Act or cease to use the name of the association no later than by 1 January 2004, otherwise the association

shall be deemed to have undergone compulsory dissolution and shall be liquidated pursuant to the procedure prescribed in § 95 of the Non-profit Associations Act.

(5) Unions of local authority associations registered in the enterprise register are also subject to re-registration in the non-profit associations and foundations register pursuant to the procedure provided in subsections (2) and (3) of this section.

### **§ 13. Amendment of Local Government Organisation Act**

[Omitted from this text.]

### **§ 14. Entry into force of Act**

This Act enters into force on 1 January 2003, except for clause 13 8) which enters into force on the day following publication of this Act in the *Riigi Teataja*.