TOWN OF NORTH HEMPSTEAD LOCAL LAW NO. OF 2023

A LOCAL LAW CREATING ARTICLE XV OF CHAPTER 24 OF THE TOWN CODE ENTITLED "FISCAL IMPACT STATEMENT."

BE IT ENACTED by the Town Board of the Town of North Hempstead as follows:

Section 1. Legislative Intent.

In order to ensure proper fiscal planning and public transparency, it is critical that the Town Board be aware of any fiscal impact that may arise from enacting local laws, ordinances and resolutions that result in deviations from adopted budgets and may have adverse tax impacts.

The purpose of this article is to require the preparation of fiscal impact statements prior to the Town Board enacting certain local laws, ordinances or resolutions, which would have a direct fiscal impact on the Town so that the fiscal implications of these proposed actions will be known to the Town Board and the public in advance of decision making.

Section 2.

<u>The Town Code of the Town of North Hempstead is hereby amended to include a new</u> <u>Article XV of Chapter 24 of the Town Code entitled "Fiscal Impact Statement" to read as</u> <u>follows:</u>

Article XV. Fiscal Impact Statement § 24-113 through § 24-119. (Reserved)

§ 24-120 Legislative intent

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The purpose of this article is to require the preparation of fiscal impact statements prior to the Town Board enacting certain local laws, ordinances or resolutions, which would have a direct fiscal impact on the Town so that the fiscal implications of these proposed actions will be known to the Town Board and the public in advance of decision making.

<u>§ 24-121 Fiscal Impact Statement</u>

- A.No proposed local law, resolution or ordinance, which has or which may tend to have a fiscal impact upon the Town of North Hempstead may be enacted or adopted unless it shall have appended thereto a written statement as to the estimated annual fiscal impact of such legislation.
- **B.Local laws, resolutions or ordinances which have or which may tend to have a fiscal impact shall include but are not limited to those which:**

(1) Mandate establishment of a new service or activity specifically provided by law.

(2) Modify the terms or conditions of employment for existing or future employees.

(3) Modify existing Town responsibility for any service or activity provided by the Town to any political subdivision, which could have a significant fiscal impact.

(4) Modify the adopted Town operating budget by supplemental appropriation or fund transfer.

(5) Modify the adopted Town capital budget.

(6) Appropriate moneys for capital projects.

(7) Enact home rule messages.

(8) Precipitate any other direct or indirect fiscal impact.

§ 24-122 Procedure

- A. The Town department or member of the Town Board that sponsored or introduced the resolution request for any local law, resolution or ordinance which is subject to the provisions of Section 24-121 shall prepare a fiscal impact statement as required under this article. When required, the fiscal impact statement shall be submitted through the electronic agenda management system used by the Town in accordance with the Town Board Rules of Procedure.
- **B.** Notwithstanding subsection A above, for legislation sponsored or introduced by a member of the Town Board, such member may request from any department head that his/her department prepare the fiscal impact statement for the subject local law, resolution or ordinance. Upon such request by the member of the Town Board, the department head shall prepare the fiscal impact statement.
- <u>C.</u> <u>The Comptroller or his/her designee shall review the fiscal impact statement</u> <u>submitted through the electronic agenda management system for all requests for</u>

legislation, resolutions and ordinances and verify or amend that fiscal impact statement, as applicable.

- (1) <u>The Comptroller or his/her designee may request from the head of the</u> <u>Town department or the member of the Town Board that prepared or</u> <u>submitted any request for a resolution, ordinance or local law which is</u> <u>subject to the provision of this article, a request for additional information</u> <u>regarding the fiscal impact statement.</u>
- (2) In cases in which the fiscal impact statement states that there would be no fiscal impact, the Comptroller or his/her designee may request a detailed justification for such conclusion.
- (3) Requests made by the Comptroller or his/her designee to the department head or the member of the Town Board pursuant to the provisions of this Subsection C shall be in writing and made within the timeframe specified in the Town Board Rules of Procedure. Within the timeframe specified in the Town Board Rules of Procedure, following any request, the department head or the member of the Town Board, as the case may be, shall respond to the Comptroller or his/her designee with such additional information or justification as may be needed to fully_satisfy the request, in the reasonable judgment of the Comptroller or his/her designee.
- (4) In the event that a fiscal impact statement is modified from its original form, as submitted by the department head or member of the Town Board, the Comptroller or his/her designee shall send written notification to the Town Board no later than 12pm on the day prior to the Town Board meeting at which such local law, ordinance or resolution is to be considered.
- **D.** Such statement of fiscal impact shall contain the information in this subsection and any other information or requirements as may be set forth in a resolution of the Town Board insofar as they are not inconsistent with the provisions of this article.

(1) The total estimated financial cost of impact over five years on the Town.

(2) The proposed source(s) of funding with the appropriate budget code.

(3) Whether the impact is immediate or dependent on other legislation or budgetary matters.

§ 24-123 Effects of Inaccuracy

<u>If the estimate or estimates in a financial impact statement are inaccurate, such</u> <u>inaccuracy shall not affect, impair or invalidate the underlying resolution, ordinance or</u> <u>local law.</u>

Section 3. Severability.

If any clause, sentence, paragraph, subdivision, or part of this Local Law or the application thereof to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, or part of this article or in its application to the person or circumstance directly involved in the controversy in which such judgment or order shall be rendered.

Section 4. Effective Date.

This Local Law shall be effective January 1, 2024.