

**PROPOSED SUBSTITUTE TO FILE 18-4207
(Finance Committee 11/14/2018)**

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PROPOSED ORDINANCE AMENDMENT

AN ORDINANCE REQUIRING A FISCAL IMPACT NOTE FOR PENDING LEGISLATION

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 2 - Administration, Article III. - County Board, Division I. -- Generally, Section 2-77 is hereby amended as follows:

Section 2-77 Fiscal impact review.

(a) *Short title.* This Section shall be known and may be cited as the Fiscal Impact Review Ordinance.

(b) *Impact note required.*

(1) ~~Every measure before the County Board including, but not limited to, a~~Any ordinance, resolution, motion, contract approval, or any amendment thereto (collectively and individually "measure"), except those measures making a direct appropriation or approving a contract for a specified amount to be expended within one fiscal year, the purpose or effect of which is (i) to expend any County funds or to increase or decrease the revenues of the County at a projected amount that exceeds \$150,000; (ii) to require the expenditure of their own funds either directly or indirectly; (iii) to increase or add new long-term debt authorization or would require, through appropriation, the use of bond financed funds of which the dollar amount of bonds or other evidences of indebtedness which are either secured or not secured by the full faith and credit of the County; (v) increase or decrease the fiscal liability of the County at a projected amount that exceeds \$150,000; or (vi) sell or let any County asset, including revenue streams from the asset, if the anticipated revenue from the sale or lease of the asset is greater than \$5,000,000,000, shall have prepared for it a brief explanatory statement or note ("fiscal note") which shall include a reliable estimate of the probable impact of such measure upon the County's annual budget.

(2) If an ordinance authorizes capital expenditures or appropriates funds for capital expenditures, a fiscal note shall specify by year any principal and interest payments required to finance such capital expenditures. In addition, increased operational costs, by year, shall be specified. In no event shall a fiscal note be required to estimate out-year costs for more than five years.

(3) If an ordinance authorizes the issuance of long-term or the issuance of bonds, the fiscal note shall include a brief explanatory statement or note which shall include a reliable estimate of the probable impact of such measure upon the finances of the County Government.

(c) *Responsibility and deadline for furnishing the fiscal note.*

1. The introduction of the measure shall prompt and serve as a request to the ~~The Secretary of the Board shall request, promptly after the introduction of the measure before the County Board, the Chief Financial Officer of the County to prepare a fiscal~~ The chief sponsor of the measure shall request in writing, promptly after the introduction of the measure before the County Board, the Chief Financial Officer, or any person within the office of the Chief Financial Officer whom the Chief Financial Officer may designate, to prepare a fiscal note setting forth the information specified in this Section regarding any measure.
2. ~~Whenever the chief sponsor of any measure is of the opinion that no fiscal note is necessary, any member of the County Board may thereafter request that a note be obtained, and in such case the matter shall be decided by majority vote of those present and voting.~~
- 3.2. The fiscal note shall be provided to each member of the County Board— and the —County Board President at least 72 hours prior to the consideration of the measure by the Board of Commissioners or applicable Committee, provided that (i) the sponsor's introduction of the measure triggering the request for ~~written request for a~~ fiscal note occurs is made at least fourteen business days prior to the consideration of the measure; and (ii) the relevant department or departments timely provide information requested by the Chief Financial Officer sufficient for the production of the fiscal note.
- 4.3. No measure may be called for a final vote by the County Board until delivery of the fiscal note according to the provisions of this Section, except that whenever, because of the complexity of the measure, or if the request for a fiscal note is not given to the Chief Financial Officer within the time specified in section (c)(2), additional time is required for the preparation of the fiscal note the Chief Financial Officer shall provide each member of the County Board and the President of the County Board with a statement of reasons why the fiscal note cannot be supplied in seven business days, and request an extension of time not to exceed five additional business days within which such fiscal note is to be furnished. Such extension shall be granted only with the consent of the majority of the members of the County Board and shall not extend beyond the end of the fiscal year in which the request was made. In no event may such extensions be used to unduly delay or hinder the consideration of the measure by the County Board. The County Board shall authorize the drafting of any rules of regulations which shall be subject to County Board approval, to ensure compliance with this Section.
- 5.4. In connection with the preparation of the fiscal note, all County officials and employees shall upon request cooperate with the Chief ~~Fiscal~~ Financial Officer in providing information.

(d) Form and content.

1. The fiscal note shall be factual in nature, as brief and concise as may be, and shall provide as reliable an estimate, in dollars, as is possible under the circumstances. The fiscal note shall include both the immediate effect, and if determinable or reasonably foreseeable, the long-range effect of the measure, and an estimate in dollars of the anticipated change in revenue, expenditures, fiscal liability or debt impact under the provisions of the measure.

2. If, after careful investigation it is determined that no dollar estimate is possible, the fiscal note shall contain a statement to that effect, setting forth the reasons why no such estimate can be given. A brief summary or work sheet of computations used in arriving at the fiscal note figures, including assumptions involved, shall be included.

(e) Preparation of fiscal note.

1. No comment or opinion shall be included in the fiscal note with regard to the merits of the measure for which the fiscal note is prepared; however, technical or mechanical defects may be noted and comment as to how the measure may impact the overall financial health of the County may be noted.
2. The work sheet shall include, insofar as practicable, a breakdown of the costs upon which the fiscal note is based. Such breakdown shall include, but need not be limited to, costs of personnel, materials and supplies, and capital outlay. The fiscal note shall also include such other information as is required by the rules and regulations which may be promulgated by the County Board with respect to the preparation of such fiscal notes. ~~A copy of the fiscal note shall be delivered to each member of the Board and the President of the County Board, according to the provisions of subsection (b) of this Section.~~
3. The original of the fiscal note and the work sheet shall be signed by the Chief Financial Officer or such person as the Chief Financial Officer may designate.

(f) No restrictions on committee testimony. The fact that a fiscal note is prepared for any measure shall not preclude or restrict the appearance before any committee of the County Board, of any official or authorized employee of any County commission, department, agency or other entity who desires to be heard in support of or in opposition to the measure.

Effective date: This ordinance shall be in effect immediately upon adoption.

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 2 - Administration, Article III. - County Board, Division I. -- Generally, Section 2-78 is hereby repealed:

~~Sec. 2-78. Debt impact review.~~

~~(a) Short title. This Section shall be known and may be cited as the Debt Impact Review Ordinance.~~

~~(b) Long term debt authorization. In this Section the term "long term debt authorization" means:~~

- ~~(1) The dollar amount of bonds or other evidences of indebtedness which are secured by the full faith and credit of the County or are required to be repaid, directly or indirectly, from tax revenue and which can be sold in support of designated purposes by the County, any department, authority, public corporation or quasi public corporation of the County, or any other public agency created by the County; or~~
- ~~(2) The dollar amount of bond and other evidences of indebtedness which are not secured by the full faith and credit or tax revenue of the County nor required to be repaid, directly or indirectly, from tax revenue and which can be sold in support of designated purposes by the County, any~~

department, authority, public corporation and quasi-public corporation of the County, or any other public agency created by the County.

~~(c) — *Impact note required.* Every measure before the County Board, including, but not limited to, any ordinance, resolution, motion, or any amendment thereto (collectively and individually "measure"), which proposes to increase or add new long term debt authorization or would require, through appropriation, the use of bond financed funds, shall have prepared for it a brief explanatory statement or note which shall include a reliable estimate of the probable impact of such measure upon the finances of the County Government ("debt impact note").~~

~~(d) — *Responsibility and deadline for furnishing note.*~~

~~(1) — The Secretary of the Board shall request, promptly after the introduction of the measure before the County Board, the Chief Financial Officer, or any person within the office of the Chief Financial Officer whom the Chief Financial Officer may designate, to prepare a written statement setting forth the information specified in this Section regarding any measure.~~

~~(2) — No measure may be called for a final vote by the County Board until delivery of the debt impact note according to the provisions of this Section, except that whenever, because of the complexity of the measure, additional time is required for the preparation of the debt impact note, the office of the Chief Financial Officer shall provide each member of the County Board and the President of the County Board with a statement of reasons why the debt impact note cannot be supplied in seven business days, and request an extension of time not to exceed five additional business days, within which such debt impact note is to be furnished. Such extension shall be granted only with the consent of the majority of the members of the County Board and shall not extend beyond the end of the fiscal year in which the request was made. In no event may such extensions be used to unduly delay or hinder the consideration of the measure by the County Board. The County Board shall authorize the drafting of any rules or regulations which shall be subject to County Board approval, to ensure compliance with this Section.~~

~~(3) — In connection with the preparation of the debt impact note, all County officials and employees shall upon request cooperate with the Chief Fiscal Officer in providing information.~~

~~(e) — *Form and content.*~~

~~(1) — The debt impact note shall be factual in nature, as brief and concise as may be, and shall provide as reliable an estimate, in terms of dollar impact, as is possible under the circumstances. The debt impact note shall include both the immediate effect, and if determinable or reasonably foreseeable, the long range effect of the measure.~~

~~(2) — If, after careful investigation it is determined that no dollar estimate is possible, the debt impact note shall contain a statement to that effect, setting forth the reasons why no such estimate can be given. A brief summary or work sheet of computations used in arriving at the debt impact note figures shall be included.~~

~~(f) — *Preparation of debt impact note.*~~

~~(1) — No comment or opinion shall be included in the debt impact note with regard to the merits of the measure for which the debt impact note is prepared; however, technical or mechanical defects may be noted.~~

~~(2) — The work sheet shall include, insofar as practicable, a breakdown of the costs upon which the debt impact note is based. Such breakdown shall include, but need not be limited to, costs of personnel, materials and supplies, and capital outlay. The debt impact note shall also include such other information as is required by the rules and regulations which may be promulgated by the County Board with respect to the preparation of such debt impact notes. A copy of the debt impact~~

~~note shall be delivered to each member of the County Board and the President of the County Board according to the provisions of subsection (b) of this Section.~~

~~(3) The original of the debt impact note and the work sheet shall be signed by the Chief Financial Officer or such person as the Chief Financial Officer may designate.~~

~~(g) *No restrictions on committee testimony.* The fact that a debt impact note is prepared for any measure shall not preclude or restrict the appearance before any committee of the County Board, of any official or authorized employee of any County commission, department, agency or other entity who desires to be heard in support of or in opposition to the measure.~~