

ABSTRACT

Title: Indebtedness and local self-government

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The author of the thesis deals with the debt of local governments, ie municipalities and regions, and regulation of indebtedness. Regulation of indebtedness divided into control debt „ex ante“, which helps prevent over-indebtedness, and „ex post“ regulation, which establishes the procedure for dealing with over-indebtedness of local governments

Debts of local governments in the Czech Republic is gradually increasing. Even though most of the debts are debts of large cities are most at risk of over-indebtedness of municipalities with less than 1,000 inhabitants. The main cause of increasing indebtedness of local governments are investing in infrastructure. Most local governments debt consists of obligations of the loan agreements. The most common creditors are then banks .

The author analyzes the suitability of regulating local government debt in terms of content and in terms of constitutional law. Notes that this regulation is to some extent necessary and constitutional point of view also possible.

The current legal regulation of borrowing ex ante in the Czech Republic is characterized as partial information and case report. Development of indebtedness of municipalities and counties are on state legislation virtually independent. On the contrary, legal regulation of debt ex post in the Czech Republic does not exist. Municipalities and regions that had no procedure through which they could resolve their indebtedness .

The author proposes that the legislature gave the changes to legislation regulating debt ex ante greater attention to the role of creditors who are themselves able to assess the economic situation of a potential borrower. The use of recoverable

resources would not require approval of state authorities. It is also necessary introduction listing the property, which it is not possible to establish a lien .

In the case of the ex post would be appropriate to adopt a special law that would regulate the procedure similar to the bankruptcy under the Insolvency Act, but would also take into account the specifics of municipalities and regions. The best way to deal with bankruptcy debt relief would be.

The work is written in accordance with legislation in force on 1 November 2013.

Keywords : local governments , debt , debt control