## **Twelfth Parliament**



Second Session
Afternoon Sitting

(1166)

(No. 85)

## REPUBLIC OF KENYA

## TWELFTH PARLIAMENT - (SECOND SESSION)

THE NATIONAL ASSEMBLY

# ORDERS OF THE DAY SPECIAL SITTING

THURSDAY, SEPTEMBER 20, 2018 AT 9.30 A.M.

## **ORDER OF BUSINESS**

#### **PRAYERS**

- 1. Administration of Oath
- 2. Communication from the Chair
- 3. Messages
- **4.** Petitions
- 5. Papers
- **6.** Notices of Motion
- 7. Questions and Statements

## 8\*. PROCEDURAL MOTION-

# LIMITATION OF DEBATE ON SUPPLEMENTARY ESTIMATES AND COMMITTEE OF SUPPLY

(The Leader of the Majority Party)

**THAT**, pursuant to the provisions of Standing Order 97(4), this House orders that each speech in a debate on the Report of the Budget & Appropriations Committee on Supplementary Estimates contemplated under Standing Order 243 be limited as follows-

- (i) General Supply Debate:- A maximum of two (2) hours and fifteen minutes, with not more than fifteen (15) minutes for the Mover in moving and ten minutes (10) in replying; a maximum of ten (10) minutes for each of the Chairpersons of the relevant Committees and a maximum of five (5) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party who shall be limited to a maximum of ten minutes (10) each; and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the respective Chairpersons of the relevant Committees, in that Order; and,
  - (ii) Committee of Supply:- A maximum of one (1) hour for the consideration of the proposed allocations to the respective Votes/Programmes in the order specified in the Schedule submitted by the Budget and Appropriations Committee.

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## 9\*. **MOTION**

# CONSIDERATION OF THE REPORT OF THE BUDGET & APPROPRIATIONS COMMITTEE ON THE SUPPLEMENTARY ESTIMATES FOR THE FY 2018/2019 (General debate)

(The Chairperson, Budget & Appropriations Committee)

**THAT**, this House adopts the Report of the Budget and Appropriations Committee on the Supplementary Estimates for the Financial Year 2018/2019, laid on the Table of the House on Thursday, September 20, 2018 and pursuant to the provisions of Article 223 of the Constitution and Standing Order 243, approves the changes to the Votes/Programmes contained in the Schedule to the Report of the Budget and Appropriations Committee.

## 10\*. COMMITTEE OF SUPPLY

The Supplementary Estimates for the FY 2018/2019 (The Chairperson, Budget & Appropriations Committee)

## 11\*. COMMITTEE OF THE WHOLE HOUSE

Consideration of the President's Reservations to the Finance Bill (National Assembly Bill No. 20 of 2018)
(The Leader of the Majority Party)

## 12\*. THE URBAN AREAS AND CITIES (AMENDMENT) BILL (SENATE BILL NO. 4 OF 2017)

(The Leader of the Majority Party)

Second Reading

# 13\*. THE HEALTH LAWS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 14 OF 2018)

(The Leader of the Majority Party)

Second Reading

# 14\*. THE COUNTY GOVERNMENTS (AMENDMENT) (No.2) BILL (SENATE BILL NO. 7 OF 2017)

(The Leader of the Majority Party)

Second Rea	9
* Denotes Or	rders of the Day

## NOTICES

# I.THE PRESIDENT'S RESERVATIONS TO THE FINANCE BILL (NATIONAL ASSEMBLY BILL NO. 20 OF 2018)

## (Recommended Text)

1) Notice is given that the Leader of the Majority Party intends to move the following recommendations contained in the Presidential Memorandum to the Finance Bill, 2018 at the Committee Stage-

## **CLAUSE 2**

**THAT**, the Bill be amended in clause 2 by renumbering the existing provision as (a) and inserting the following paragraph-

(b) by deleting the definition of the word "winnings" and substituting therefor the following definition-

"winnings" includes winnings if any kind and a reference to the amount or to the payment of winnings shall be construed accordingly.

## **CLAUSE 18**

**THAT**, clause 18 of the Bill be amended by deleting paragraph (b).

## **NEW CLAUSE**

**THAT**, the Bill be amended by inserting the following new clause immediately after clause 18-

Amendment of section 5 of No.35 of 2018

- **18A.** Section 5 of the Value Added Tax Act, 2013 is amended in subsection (2) by inserting the following new paragraph immediately after paragraph (a)-
  - (aa) in the case of goods listed in section B of Part I of the First Schedule, eight percent of the taxable value ,effective from the date of assent:

    Provided that-
    - (i) the taxable value in respect of these goods shall exclude excise duty, fees and other charges; and
    - (ii) despite section 1 of the Finance Act, 2018, this paragraph comes into effect upon enactment of the Supplementary Appropriation Act.

## **CLAUSE 31**

**THAT** clause 31 of the Bill be amended—

(a) in Part 1 subparagraph (iii) by inserting the following new item—

## Description

Rate of Excise Duty

Sugar confectionery (including white Shs. 20 per kg chocolate) of tariff heading 17.04; chocolate in blocks, slabs or bars of tariff Nos. 1806.31.00, 1806.32.00, 1806.90.00

- (b) in Part II by inserting the following new subparagraphs—
  - (i) by deleting paragraph 1 of the Act and substituting therefor the following new paragraph-
    - 1. Telephone and internet data services shall be charged excise duty at a rate of fifteen percent of their excisable value.
  - "(ii) bydeleting paragraph 2 of the Act and substituting therefor the following new paragraph
    - 2. Excise duty in fees charged for money transfer services by banks, money transfer agencies and other financial service providers shall be twenty percent of their excisable value."
- (iii) by deleting paragraph 4 of the Act and substituting therefor the following new paragraph-
  - 4. Excise duty on other fees charged by financial institutions shall be twenty percent of their excisable value."

## **NEW CLAUSE 48A**

**THAT** the following new clause be inserted immediately after clause 48A—

Insertion of section 8A into No. 29 of 2016.

**48A.** The Miscellaneous, Fees and Levies Act, 2016 is amended by inserting the following new section 8A immediately after section 8-

Anti-adulteration levy.

- **8A.**(1) There shall be paid a levy to be known as the antiadulteration levy on all illuminating kerosene imported into the country for home use.
- (2) The levy shall be at the rate of eighteen shillings per litre of the customs value of the illuminating kerosene and shall be paid by the importer at the time of entering the illuminating kerosene into the country.

## **NEW CLAUSE 50A**

THAT, the following new clause be inserted immediately after clause 50—
Amendments 50A. The Betting, Lotteries and Gaming Act is amended as follows—
to sections

29A, 44A, 55A and 59B of Cap. 131.

Amendment of section 29 A of Cap. 131.

Section 29A of the Betting, Lotteries and Gaming Act is amended in subsection (1) by deleting the expression "thirty-five" and substituting therefor the expression "fifteen".

Amendment of section 44A of Cap. 131.

Section 44A of the Betting, Lotteries and Gaming Act is amended in subsection (1) by deleting the expression "thirty-five" and substituting therefor the expression "fifteen"

Amendment of section 55A of Cap. 131.

Section 55A of the Betting, Lotteries and Gaming Act is amended in subsection (1) by deleting the expression "thirty-five" and substituting therefor the expression "fifteen".

Amendment of section 59B of Cap. 131.

Section 59B of the Betting, Lotteries and Gaming Act is amended in subsection (1) by deleting the expression "thirty-five" and substituting therefor the expression "fifteen".

## **NEW CLAUSES**

**THAT**, the following new clause be inserted immediately after clause 78—

Amendment of section 2 of No. 11 of 2007.

- 79. The Employment Act, 2007 is amended-
  - (a) in section 2 by inserting the following new definitions in the proper alphabetical sequence-

"employer contribution" means the employer's contribution payable into the National Housing Development Fund;

"employee contribution" means a contribution payable under this Act for his or her benefit;

"employee earnings" means the taxable amount determined under the Income Tax Act for purposes of levying income tax on the employee emoluments.

"National Housing Development Fund" means to the Fund established under section 6 of the Housing Act.

Insertion of new section 31A into No. 11of 2007

**80.**The Employment Act is amended by inserting the following new section immediately after section 31-

Payment to the National Housing Development Fund.

- **31A.**(1) An employer shall pay to the National Housing Development Fund in respect of each employee
  - (a) the employer's contribution at one point five per centum of the employee's monthly basic salary; and
  - (b) the employee's contribution at one point five per centum of the monthly basic employee's salary:

Provided that the sum of the employer and employee contributions shall not exceed five thousand shillings a month.

- (2) The benefits to an employee shall accrue as follows
  - (a) for employees who qualify for affordable housing, the contributions accrue to the employee and shall be used to finance the purchase of a home under the affordable housing scheme; or
  - (b) for employees who are not eligible for affordable housing, upon the expiry of fifteen years from the date of the start of making the contributions, or after the attainment of retirement age, whichever is sooner—
    - (i) a transfer of their contributions to a pension scheme registered with the Retirement Benefits Authority;
    - (ii) a transfer their contributions to any person registered and eligible for affordable housing under the National Housing Development Fund; or

- (iii) a transfer of their contributions to their spouse or dependent children; or
- (iv) to receive their contributions in cash:

Provided that contributions paid out in cash shall be included in the contributor's taxable income for the year and be subjected to tax at the prevailing rates.

- (3) All contributions shall get a return based on the return on the Fund.
- (4) The employer shall remit both employee and employer contributions to the National Housing Development Fund before the ninth day of the following month.
- (5) If the contributions due under this section are not paid on or before the day on which the payments are due, a penalty of five percent of the contributions shall be payable by the employer for each month or part thereof during which the contributions remains unpaid, and any such penalties shall be recoverable as a sum due and payable to the National Housing Development Fund.
- (6) This section shall become effective upon the Gazettement of regulations prescribing the requirements for qualification to the scheme by the Cabinet Secretary responsible for housing in consultation with the Cabinet Secretary responsible for finance.

2) Notice is given that Chairperson of the Departmental Committee on Finance and National Planning intends to move the following amendments to the recommendations contained in the Presidential Memorandum to the Finance Bill, 2018 at the Committee Stage-

## **CLAUSE 1**

**THAT**, the Bill be amended in clause 1 by inserting the following paragraph immediately after paragraph (a)—

(ab) section 18A on the date of assent;

(Pursuant to Standing Order 154(4), the Speaker has determined that the amendment fully accommodates the President's reservations in terms of Article 115 of the Constitution)

## **NEW CLAUSE 18A**

**THAT**, the presidential memorandum be amended in the proposed amendment to section 5 of the Value Added Tax Act by—

- (i) deleting the words "effective on the date of assent"
- (ii) deleting the words "Supplementary Appropriations Act" and substituting therefor the words "Supplementary Appropriations (No.2) Act, 2018"

(Pursuant to Standing Order 154(4), the Speaker has determined that the amendment fully accommodates the President's reservations in terms of Article 115 of the Constitution)

## **CLAUSE 31**

**THAT**, the Presidential memorandum be amended by deleting the proposed amendment to clause 31 (a) (iii).

(Pursuant to Standing Order 154(4), the Speaker has determined that the amendment DOES NOT fully accommodate the President's reservations in terms of Article 115 of the Constitution)

## The House resolved on Wednesday, February 14, 2018 as follows-

- II. THAT, pursuant to the provisions of Standing Order 97, each speech in a debate on any Motion, including a Special motion shall be limited in the following manner:-A maximum of three hours with not more than twenty (20) minutes for the Mover and ten (10) minutes for each other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each, and that ten (10) minutes before the expiry of the time, the Mover shall be called upon to reply; and that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.
  - III. THAT, notwithstanding the provisions of Standing Order 97(4), each speech in a debate on Bills sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party shall be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.

...../Notice Paper

## **NOTICE PAPER**

## **Tentative business for**

## Thursday (Afternoon), September 20, 2018

(Published pursuant to Standing Order 38(1))

Pursuant to *Gazette Notice No. 9380 of 2018*, the Speaker of the National Assembly has notified that the following Business will be transacted on Thursday (Afternoon), September 20, 2018:-

# A. <u>PROCEDURAL MOTION-</u> <u>EXTENSION OF SITTING TIME OF THE HOUSE</u>

(The Leader of the Majority Party)

## B. THE SUPPLEMENTARY APPROPRIATION BILL, 2018

(The Chairperson, Budget & Appropriations Committee)

First Reading

## C. THE SUPPLEMENTARY APPROPRIATION BILL, 2018

(The Chairperson, Budget & Appropriations Committee)

Second Reading

## D. COMMITTEE OF THE WHOLE HOUSE

- (i) <u>The Supplementary Appropriation Bill, 2018</u> (The Chairperson, Budget & Appropriations Committee)
- (ii) <u>Consideration of the President's Reservations to the Finance Bill</u>
  (National Assembly Bill No. 20 of 2018)
  (The Leader of the Majority Party)

# E. <u>THE URBAN AREAS AND CITIES (AMENDMENT) BILL (SENATE BILL NO. 4 OF 2017)</u>

(The Leader of the Majority Party)

Second Reading

(If not concluded on Thursday, September 20, 2018 – Morning Sitting)

# F. THE WAREHOUSE RECEIPT SYSTEM BILL (SENATE BILL NO.10 OF 2017)

(The Leader of the Majority Party)

Second Reading

(If not concluded on Thursday, September 20, 2018 - Morning Sitting)

# G. <u>THE HEALTH LAWS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 14 OF 2018)</u>

(The Leader of the Majority Party)

Second Reading

(If not concluded on Thursday, September 20, 2018 - Morning Sitting)

# H. THE COUNTY GOVERNMENTS (AMENDMENT) (No.2) BILL (SENATE BILL NO. 7 OF 2017)

(The Leader of the Majority Party)

**Second Reading** 

(If not concluded on Thursday, September 20, 2018 - Morning Sitting)



# Second Session Afternoon Sitting

(No. 86)

(1175)

## **REPUBLIC OF KENYA**

## TWELFTH PARLIAMENT - (SECOND SESSION)

## THE NATIONAL ASSEMBLY

# SPECIAL SITTING

THURSDAY, SEPTEMBER 20, 2018 AT 2.30 P.M.

## **ORDER OF BUSINESS**

#### **PRAYERS**

- 1. Administration of Oath
- 2. Communication from the Chair
- 3. Messages
- **4.** Petitions
- 5. Papers
- 6. Notices of Motion
- 7. Questions and Statements

## 8\*. THE SUPPLEMENTARY APPROPRIATION BILL, 2018

(The Chairperson, Budget & Appropriations Committee)

First Reading

## 9\*. THE SUPPLEMENTARY APPROPRIATION BILL, 2018

(The Chairperson, Budget & Appropriations Committee)

Second Reading

## 10\*. COMMITTEE OF THE WHOLE HOUSE

- (i) <u>The Supplementary Appropriation Bill, 2018</u> (The Chairperson, Budget & Appropriations Committee)
- (ii) Consideration of the President's Reservations to the Finance Bill (National Assembly Bill No. 20 of 2018)

  (The Leader of the Majority Party)

..../Notices

11*. <u>THE</u>	URBAN	<b>AREAS</b>	AND	<b>CITIES</b>	(AMENDN	<u> IENT)</u>	BILL	<u>(SENATE</u>
<b>BILL</b>	. NO. 4 OI	F 2017)						

(The Leader of the Majority Party)

Second Reading

# 12\*. THE WAREHOUSE RECEIPT SYSTEM BILL (SENATE BILL NO.10 OF 2017)

(The Leader of the Majority Party)

Second Reading

# 13\*. THE HEALTH LAWS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 14 OF 2018)

(The Leader of the Majority Party)

Second Reading

# 14\*. THE COUNTY GOVERNMENTS (AMENDMENT) (No.2) BILL (SENATE BILL NO. 7 OF 2017)

(The Leader of the Majority Party)

Second Reading
* Denotes Orders of the Day

## NOTICES

## The House resolved on Wednesday, February 14, 2018 as follows-

- I. THAT, pursuant to the provisions of Standing Order 97, each speech in a debate on any Motion, including a Special motion shall be limited in the following manner:- A maximum of three hours with not more than twenty (20) minutes for the Mover and ten (10) minutes for each other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each, and that ten (10) minutes before the expiry of the time, the Mover shall be called upon to reply; and that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.
- II. THAT, notwithstanding the provisions of Standing Order 97(4), each speech in a debate on Bills sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party shall be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking shall be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.