

Twelfth Parliament

Third Session
Afternoon SittingREPUBLIC OF KENYATWELFTH PARLIAMENT – THIRD SESSIONTHE NATIONAL ASSEMBLYVOTES AND PROCEEDINGSWEDNESDAY, SEPTEMBER 25, 2019

1. The House assembled at thirty minutes past Two O'clock
2. The Proceedings were opened with Prayer
3. **Presiding** – the Deputy Speaker
4. **COMMUNICATIONS FROM THE CHAIR**

The Deputy Speaker conveyed the following Communication -

(i) **Correction of tallying error on Division**

“Honourable Members, Standing Order 75 requires the Speaker to report to the House any errors that may occur during a roll call vote in the House. In this regard, I wish to make the following guidance and correction with regards to the roll call vote conducted yesterday afternoon on the Report of the Committee of the whole House on the Independent Electoral & Boundaries Commission (Amendment)(No.3) Bill, 2019.

Honourable Members, As you may recall, yesterday, Tuesday, September 24, 2019 during the question for the agreement with the Report of the Committee of the whole House on the Independent Electoral & Boundaries Commission (Amendment)(No.3) Bill, 2019, the Speaker declared the results of the vote having collected the voices of the “Ayes” and the “Noes” pursuant to Standing Order 69(2). However, pursuant to Standing Order 72(1)(b), more than thirty (30) Members rose in their places to claim a division. Consequently, the House proceeded on electronic voting pursuant to Standing Order 70. During this process, it was reported to me that the electronic voting system was encountering technical failure and therefore could not proceed.

For that reason, I ordered that the House proceeds to a roll call vote pursuant to the provisions of Standing Order 71, which requires the Speaker to order the House to proceed to roll call vote in the event of technical failure in the electronic voting system.

Honourable Members, The tellers for the “Ayes” and the “Noes” were the Honourables (Dr.) Robert Pukose and Abdullswamad Nassir, respectively. Upon the presentation of the

results of the roll call voting by the tellers, which they later handed over to me, I announced the results to the House as follows-

The Ayes	-	69
The Noes	-	56
Abstentions	-	1
Total Votes	-	126

Honourable Members, It has since been brought to my attention that the results as presented and announced had a tallying error on the "Ayes" vote. The correct tally after confirmation ought to have been announced as -

The Ayes	-	59(<i>and not 69</i>)
The Noes	-	56
Abstentions	-	1
Total Votes	-	116

Honourable Members, as your Speaker, it is my duty to ensure that the records of the House are correctly and accurately captured and reported at all times. You will note that the error of the teller, which was unintentional, does not affect the ultimate results of the Division as the House indeed passed the motion for agreement with the Report of the Committee of the whole House and thereafter passed the motion for Third Reading of the Bill. As a matter of fact, the Hansard record of the House and the *Vote and Proceedings* always contain the list of the Members voting "Ayes", "Noes" and the "Abstentions" in any Division.

I have directed the Clerk of the National Assembly to circulate the excerpts of the *Hansard* record indicating how Members voted. Being a Bill concerning county governments, the Bill will be forwarded to the Senate for consideration.

In conclusion Honourable Members, and pursuant to Standing Order 75, I wish to report the above matter to the House and direct that the necessary corrections be made to the records of the House. The House is thus accordingly informed.

Thank you".

(ii) **Guidance on non-compliance of certain proposed amendments to the Finance Bill, 2019 with provisions of Article 114 of the Constitution and Standing Order 133**

"Honourable Members, This communication relates to the business appearing under Order No. 9 in today's Order Paper, Wednesday September 25, 2019, being Committee of the whole House on the Finance Bill (National Assembly Bill No. 51 of 2019). As you may have observed, the Notices annexed to today's Order Paper contain several amendments that have been proposed to the said Bill, both by the Departmental Committee on Finance and National Planning, which has sponsored the Bill and individual Members. Before the House proceeds with the Committee of the Whole House, I wish to provide guidance relating to consideration of the proposed amendments at the Committee of the whole House.

Honourable Members, as you are aware, it is now an established practice under the Constitution that, when considering any matter that may occasion a financial implication

on public funds, the House is bound by the provisions of Article 114(2) of the Constitution. For clarity, Article 114(2) of the Constitution provides that –

“If, in the opinion of the Speaker of the National Assembly, a motion makes provisions for a matter listed in the definition of ‘a money Bill’, the Assembly may proceed only in accordance with the recommendation of the relevant Committee after taking into account the views of the Cabinet Secretary responsible for Finance.”

Honourable Members, you will agree with me that the intention of this provision was to ensure that, in as much as this House reserves the power to determine revenue raising measures, it does not commit the government without taking cognizance of the fiscal policy and considerations of the National Government. In this regard, I have applied my mind to the amendments proposed by Members to the Finance Bill, 2019, some of which intend to make provisions touching on matters listed in the definition of ‘a money Bill’ pursuant to the provisions of Article 114(2) of the Constitution.

Additionally Honourable Members, Standing Order 133(5) provides that –

“no amendment shall be permitted to be moved if the amendment deals with a different subject or proposes to unreasonably or unduly expand the subject of the Bill, or is not appropriate or is not in logical sequence to the subject matter of the Bill.”

In this regard, Honourable Members, my office has received several proposed amendments to the Finance Bill, 2019 from the Chairperson of the Departmental Committee on Finance and National Planning, the Leader of the Majority Party and five (5) other individual Members. Some of the amendments make provisions for matters listed in the definition of a “a money Bill’ pursuant to the provisions of Article 114. Others propose to deal with a new subject, or proposes to unreasonably or unduly expand the subject of the said Bill within the provisions of Standing Order 133(5).

I weighed the proposed amendments against the provisions of Article 114(2) of the Constitution, Standing Orders 114(3)(b) and 133(5), relating to admissibility or otherwise of amendments proposed to a Bill on account of their Money Bill effect and their scope. As you may have clearly noticed in the Order Paper, I directed the Clerk to publish those amendments with a disclaimer “*subject to provision of Article 114 of the Constitution*” or “*subject to the provisions of Standing Order 133(5)*” placed under each of the affected amendments.

Honourable Members, before I guide the House on the specific amendments, let me put it on record that the proposed amendments by the Leader of the Majority Party are not part of those that I isolated for guidance. The Leader of the Majority Party did submit his proposals to the Departmental Committee on Finance and National Planning which considered them in terms of the provisions of Article 114(2) of the Constitution and recommended that the House may consider those amendments in the Committee of the whole House.

I therefore wish to guide the House as follows with regard the other amendments -

- (i) the Member for Alego Usonga (Hon. Samuel Atandi) is proposing to amend the Bill in Clauses (2) on definitions by including a new definition of “*winnings*” in the Betting, Lotteries and Gaming Act. He is also seeking to insert a New Clause 3A to the Income Tax Act, insert New Clause 40A and New Clause 41A to the Capital Markets Act.

I have applied my mind on the said proposed amendments and formed an opinion that the proposed amendment to Clause 2 and insertion of New Clause 3A fall within the meaning of “money Bill”. The recommendation by the Departmental Committee on Finance and National Planning having consulted Treasury are that this House does not consider the amendments, which surprisingly is by a Member of the same Committee, I therefore direct that the

Committee of the whole House does not consider the proposed amendments to Clause 2 and the proposed insertion of New Clause 3A.

Regarding the proposal to insert New Clauses 40A and New Clause 41A to the Capital Markets Act, I am of the opinion that the import of those amendments deals with a different subject and, unreasonably and unduly expands the subject matter of the Bill with regard to administrative matters handled by the Capital Markets Authority. In this regard, the said amendments are beyond the scope of the Bill. May I also add that new provisions have not been subjected to public participation as per the requirement of the Constitution. Therefore, the Committee of the whole House should not consider the proposed amendments to New Clauses 40A and 41A to the Capital Markets Act.

However, the Member is at liberty to introduce a separate Bill in the manner contemplated in Standing Order 114 asking the House to legislate on the matters whereby the proposal would go through among other processes, public participation.

- (ii) the Member for Dagoretti South (Hon. John Kiarie) has proposed to amend Clause 19 of the Bill which seeks to amend the Second Schedule to the Value Added Tax Act, 2013 by inserting a new paragraph (d) which introduces a new paragraph 65A to include taxable goods locally purchased or imported by manufacturers or importers of artisanal tools approved by the Cabinet Secretary upon recommendation by the Cabinet Secretary for the time being responsible for industrialization.

I have determined that the proposed amendment is subject to the provisions of Article 114 of the Constitution. Therefore, the Committee of the Whole House shall not consider the proposed amendment to Clauses 19 as proposed by the Member for Dagoretti South, since the Member has not complied with the provisions of Article 114 of the Constitution.

The Member is also at liberty to introduce a separate Bill on the matter in the manner contemplated in Standing Order 114 whereby the proposal would go through among other processes, public participation.

- (iii) the Member for Kiambu (Hon. Jude Njomo) proposes to amend Clause (18)(a) of the Bill by inserting a new paragraph (111) to make provisions on sports equipment imported or purchased by educational institutions. I am of the considered opinion that the said proposed amendment makes provisions to a matter listed in the definition of “a Money Bill’ and is therefore subject to the provisions of Article 114 of the Constitution and Standing Order 114, which may only be considered upon recommendations of the relevant Committee.

Therefore, the proposal to amend Clause (18)(a) of the Bill shall not be considered by the Committee of the whole House. The Member is also at liberty to introduce a separate Bill on the matter in the manner contemplated in

Standing Order 114 whereby the proposal would go through among other processes, public participation.

- (iv) the Member for Gatundu South (Hon. Moses Kuria) has proposed to insert a new Clause 8A immediately after Clause 8 of the Bill relating to the Income Tax Act to provide for the manner of investing deposits in a registered home ownership investment plan and the definition of an 'approved institution'.

He intimates that the Home Ownership Saving Plan (HOSP) guidelines only recognize investment guidelines as per the Central Bank of Kenya (CBK) specifications and therefore seeks to include investment guidelines provided by the Capital Markets Authority in addition to the prudential guidelines issued by CBK to regulate investment of deposits under a registered HOSP so that an investor has a choice to either save through a bank or an investment savings product.

I am of the opinion that that the import of the amendment proposed by the Member for Gatundu South to insert a new Clause 8A makes provisions that do not expand the scope of the Bill beyond its subject as per the provisions of Standing Order 133(5). Accordingly, the Committee of the Whole House shall proceed to consider that particular amendment.

- (v) finally, the Member for Molo (Hon. Kimani Kuria) has proposed to delete Clause 21 and paragraph (b) of Clause (23) of the Bill regarding the Exercise Duty Act, 2015 relating to the time supply in a betting transaction, and the provision proposing that Exercise duty on betting shall be ten percent of the amount wagered or staked. It is my considered opinion that that the proposed amendments have implications to the matters listed in the definition of 'a money Bill' under Article 114 of the Constitution.

In this regard, the Committee of the whole House shall not consider the same since the manner in which it has been processed does not accord with the provisions of Article 114(2) of the Constitution.

The Member is also at liberty to introduce a separate Bill on the matters in the manner contemplated in Standing Order 114 whereby the proposal would go through among other processes, public participation.

Honourable Members, even as I provide this guidance, I am particularly perturbed by the fact that, among the sponsors of amendments whose fate I have since determined, are two Members of the Departmental Committee on Finance and National Planning. These are; the Honourable Samuel Atandi and the Honourable Kimani Kuria. My concern emanates from the fact that, unlike the non-members of the Committee, the two Members had a primary opportunity to interact with the Bill during the Committee's intense consideration of the Bill. Ordinarily, anyone would expect that the Members would have proposed their amendments in the Committee, rather than doing so outside the Committee in the manner they have done.

I have scrutinized the Report of the Committee on the Finance Bill, 2019 and did confirm that the indeed, Honourable Samuel Atandi and Honourable Kimani Kuria were part of the sittings of the Committee in which the Bill was considered on Clause by Clause basis. I have further confirmed that the Honourable Atandi did append his signature to signify his

consent for the adoption of the Committee's Report on the Bill while the Honourable Kimani Kuria, though absent on the day the Report was adopted had attended all meetings in which the Committee considered the Bill. The fact that there is no record in the Report of the Committee to the effect that the two Members raised divergent views or made a case for a minority report as contemplated under Standing Order 199(6) implies that they were in agreement with the Committee's position on the Bill and amendments proposed thereof.

As your Speaker, I am particularly concerned that Members can sit in meetings of their Committee on a Bill, adopt a Report thereof and then later on propose amendments, part of which seem to be reversing the position of the Committee, which they were part of. This is quite unusual.

In conclusion, Honourable Members, the Committee of the Whole House shall proceed on the specified amendments in accordance with the guidance I have provided.

The House is accordingly guided.

5. **PAPERS LAID**

The following Papers were laid on the Table -

- (i) The Reports of the Auditor-General on the Financial Statements of Kisumu National Polytechnic for the year ended 30th June, 2017 and the certificate therein.
- (ii) The Reports of the Auditor-General on the Financial Statements in respect of the following institution for the year ended 30th June, 2018 and the certificates therein:-
 - a) Kenya National Highways Authority;
 - b) Kenya Civil Aviation Authority;
 - c) Numerical Machining Complex Limited;
 - d) Brand Kenya Board;
 - e) Kenya Industrial Research and Development Institute; and
 - f) Kenya Rural Roads Authority.
- (iii) The Reports of the Auditor-General on the Financial Statements in respect of the following constituencies for the year ended 30th June, 2018 and the certificates therein:-
 - a) Homabay Town;
 - b) Ndhiwa;
 - c) Suba North; and
 - d) Kisumu West.

(Majority Party Whip)

- (iv) Report of Kenya's Participation in the 63rd Session of the Commission on the Status of Women (CSW63) held at the United Nations Headquarters, New York from 11th to 22nd March, 2019.

(The Hon. Purity Ngirichi - Leader of the Delegation)

- (v) Report of the Committee on the Capstone Course on National Security and Strategy conducted by the National Defense College and Center for Parliamentary Studies and Training in the National Defence College, Karen, Nairobi on 26th to 30th, August, 2019.

(The Hon. Richard Tong'i - Vice-Chairperson, Departmental Committee on Defence & Foreign Relations)

- (vi) Report of the Select Committee on Implementation on the Status of the Resolution of the House made on 6th June, 2019 regarding the Approval of Ms. Mwendemwinzi for Appointment as the Kenyan Ambassador to Seoul, South Korea.

(The Hon. Richard ole Kenta - Chairperson, Select Committee on Implementation)

6. **QUESTIONS**

The following Question were asked –

- (i) Question No.416/2019 by the Member for Konoin (Hon. Brighton Yegon) regarding the status of the closed circuit television (CCTVs) cameras installed in Nairobi county and other major towns in the Country;

(To be replied by the Cabinet Secretary for Interior and Co-ordination of National Government before the Departmental Committee on Administration and National Security)

- (ii) Question No.417/2019 by the Member for Mathioya (Hn. Peter Kimaru) regarding the status of the construction of *Kanjama-Kagumoini* road in Mathioya constituency;

(To be replied by the Cabinet Secretary for Transport, Infrastructure, Housing and Urban Development before the Departmental Committee on Transport, Public Works and Housing)

- (iii) Question No.418/2019 by the Member for Lagdera (Hon. Garane Hire) regarding measures being taken to solve recurring power outages in *Modogashe* town;

(To be replied by the Cabinet Secretary for Energy before the before the Departmental Committee on Energy)

- (iv) Question No.419/2019 by the Member for Baringo Central (Hon. Joshua Kandie) regarding factors taken into consideration in determining parking fees charged at the Eldoret airport.

(To be replied by the Cabinet Secretary for Transport, Infrastructure, Housing and Urban Development before the Departmental Committee on Transport, Public Works and Housing)

7. **PROCEDURAL MOTION – EXTENSION OF SITTING TIME**

Motion made and Question proposed –

THAT, pursuant to the provisions of Standing Order 30(3)(a), this House orders that should the regular time for adjournment of the House be reached before conclusion of business appearing under Order No. 9 on today's Order Paper, the sitting of the House shall stand extended until the conclusion of the said business.

(The Leader of the Majority Party)

There being no debate arising;

Question put and agreed to;

8. **COMMITTEE OF THE WHOLE HOUSE**

Order for Committee read;

IN THE COMMITTEE

The Third Chairperson in the Chair

The Finance Bill (National Assembly Bill No.51 of 2019)

INCOME TAX ACT

Clause 2 - amendment proposed -

THAT, clause 2 of the Bill be amended in paragraph (b) by deleting the proposed definition of “investee company” and substituting therefor the following new definition-

“investee company” has the meaning assigned to it under the Capital Markets Act and the regulations made thereunder:

(Chairperson, Departmental Committee on Finance & Planning)

Question of the amendment proposed -

Debate arising;

Question put and agreed to;

Further amendment -

THAT, the Bill be amended in clause 2 by inserting the following new definition in paragraph (b) in the proper alphabetical sequence -

“winnings” means the positive difference between payouts made and stakes placed in a given month, for each player, payable to punters by bookmakers licenced under the Betting, Lotteries and Gaming Act;

(Hon. Samuel Atandi)

Proposed amendment declared inadmissible under Article 114 of the Constitution *(Speaker’s Communication of September 25, 2019)*

Clause 2 - as amended agreed to

Clause 3 - amendment proposed -

THAT, clause 3 of the Bill be amended-

(a) in paragraph (a) in the proposed paragraph (d) by deleting the words “income

chargeable to tax includes”;

(b) by inserting the following new paragraph immediately after paragraph (a)-

(aa) by inserting the following new subsection immediately after subsection (2)-

(3) The Cabinet Secretary shall make regulations to provide for the mechanisms of implementing the provisions of subsection (2)(d).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 3 - as amended agreed to

Clauses 4 & 5 - agreed to

Clause 6 - amendment proposed –

THAT, clause 6 of the Bill be amended by deleting paragraph (c).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 6 - as amended agreed to

Clauses 7 & 8 - agreed to

Clause 9 - amendment proposed –

THAT, clause 9 of the Bill be amended by deleting paragraph (a).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 9 - as amended agreed to

Clause 10 - amendment proposed –

THAT, clause 10 of the Bill be amended -

- (a) in paragraph (a) by deleting sub-paragraph (iii);
- (b) by deleting paragraph (b).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 10 - as amended agreed to

Clause 11 - agreed to

Clause 12 - amendment proposed –

THAT, clause 12 of the Bill be amended in the proposed amendment to Part I of the First Schedule to the Income Tax Act by inserting the following new items immediately after item 58—

59. The amount withdrawn from the National Housing Development Fund to purchase a house by a contributor who is a first-time home-owner.

60. Interest income accruing from all listed bonds, notes or other similar securities used to raise funds for infrastructure, projects and assets defined under Green Bonds Standards and Guidelines, and other social services:

Provided that such bonds, notes or securities shall have a maturity of at least three years.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 12 - as amended agreed to

Clause 13 - amendment proposed –

THAT, the Bill be amended clause 13(b) by –

- (a) deleting sub-paragraph (iii);
- (b) deleting sub-paragraph (iv).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 13 - as amended agreed to

Clause 14 - agreed to

New clause 3A-

THAT, the Bill be amended by inserting the following new clause immediately after clause 3 –

Amendment
of section 6
of Cap. 470

3A. Section 6 of the Income Tax Act is amended by inserting the following new proviso at the end of sub-section (2)–

Provided that if a lessor is paying for or servicing a mortgage in respect of that property, such rent shall not be deemed as income from the property.

(Hon. Samuel Atandi)

Proposed amendment declared inadmissible under Article 114 of the Constitution
(Speaker’s Communication of September 25, 2019)

New Clause 7A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 7 –

Amendment of
section 16 of
Cap. 470.

7A. Section 16 of the Income Tax Act is amended in subsection (2) by deleting the proviso to paragraph (j) and substituting therefor the following new proviso—

Provided that this paragraph—

- (i) shall apply to loans advanced to the company by a non-resident associate of the non-resident company controlling the resident company; and
- (ii) shall not apply to a company implementing a project under an affordable housing scheme upon recommendation by the Cabinet Secretary responsible for housing.

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed-

THAT, the new clause 7A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed-

THAT, the new clause 7A be part of the Bill

Question put and agreed to;

New Clause 8A proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 8—

Amendment of
section 22C of Cap.
470

8A. Section 22C of the Income Tax Act is amended—

(a) by deleting subsection (4) and substituting therefor the following new subsection—

“(4) Deposits in a registered home ownership savings plan shall be invested in accordance with prudential guidelines issued by the Central Bank or investment guidelines or regulations issued by the Capital Markets Authority”;

(b) in subsection (8), by deleting the definition of “approved institution” and substituting therefor the following new definition—

“approved institution” means a bank or financial institution registered under the Banking Act (Cap. 488), an insurance company licensed under the Insurance Act (Cap. 487), a building society registered under the Building Societies Act (Cap. 489), or a fund manager or investment bank registered under the Capital Markets Act (Cap. 485A).

(Hon. Moses Kuria)

Motion made and Question proposed-

THAT, the New Clause 8A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed-

THAT, the New Clause 8A be part of the Bill

Question put and agreed to;

Further New Clause 8A proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 8 -

Amendment of section 22C of Cap. 470.

8A. Section 22C of the Income Tax Act be amended –

- (a) in sub-section (4) by inserting the words “ and other investment guidelines made under Regulations under the Capital Markets Act.” immediately after the phrase “Central Bank”;
- (b) in subsection (8) in the definition of “approved institution” by inserting the words “,and a Fund Manager registered under the Capital Markets Act (Cap.485)” immediately after the phrase “(Cap 489)”.

(Chairperson, Departmental Committee on Finance & National Planning)

Proposed amendment dropped.

VALUE ADDED TAX ACT

Clause 15 - agreed to

Clause 16 - amendment proposed –

THAT, the Bill be amended by deleting clause 16 and substituting therefor the following new clause –

Amendment of s.5 of No. 35 of 2013

16. Section 5 of the Value Added Tax Act, 2013 is amended –

- (a) in sub-section (6) by deleting the words “ a registered person” and substituting therefor the words “ any person”;
- (b) by inserting the following new sub-sections immediately after subsection (6) –
 - (7) The provisions of subsection (1) shall be applicable to supplies made through a digital market place.
 - (8) The Cabinet Secretary shall make regulations to provide the mechanisms for implementing the provisions of subsection (7).
 - (9) For the purpose of this section, “digital market place” means a platform that enables the direct interaction between buyers and sellers of goods and services through electronic means.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 16 - as amended agreed to

Clause 17 - agreed to

Clause 18 - amendment proposed –

THAT, clause 18 be amended in paragraph (a) (iii) by –

(a) deleting—

- (i) the proposed new paragraph 105; and
- (ii) the proposed new paragraph 106.

(b) inserting the following new items immediately after item 110—

111. Goods imported or purchased locally for the direct and exclusive use in the construction of houses under an affordable housing scheme approved by the Cabinet Secretary on the recommendation of the Cabinet Secretary responsible for matters relating to housing.

112. Musical instruments and other musical equipment, imported or purchased locally, for exclusive use by educational institutions, upon recommendation by the Cabinet Secretary responsible for Education.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Further amendment –

THAT, clause 18(a) of the Bill be amended in sub-paragraph (iii) by inserting the following new paragraph immediately after the proposed new paragraph 110—

111. Sports equipment imported or purchased locally for exclusive use by educational institutions.

For the purposes of this paragraph, educational institution means—

- (a) a pre-primary, primary, or secondary school;
- (b) a technical college or university;
- (c) an institution established for the promotion of adult education, vocational training or, technical education but shall not apply in respect of business or user training and other consultancy services designed to improve work practices and efficiency of an organization.

(Hon. Jude Njomo)

Proposed amendment declared inadmissible under Article 114 of the Constitution
(Speaker’s Communication of September 25, 2019)

Clause 18 - as amended agreed to

Clause 19 - amendment proposed –

THAT, the Bill be amended in clause 19 –

(a) by inserting the following new paragraph immediately after paragraph (a) –

(aa) in paragraph 13 by inserting the words “including propane” immediately after the words “liquefied petroleum gas”;

(b) by deleting paragraph (b);

(c) in paragraph (c) by inserting the following new item immediately after item 19 —

20. Agricultural pest control products.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question of the amendment put and agreed to;

Question that paragraph (c) of Clause 19 be part of the Bill proposed;

Debate arising;

Question that paragraph (c) of Clause 19 be part of the Bill put and negatived.

Further amendment -

THAT, clause 19 of the Bill be amended by inserting the following new paragraph immediately after paragraph (c) —

(d) by inserting the following new paragraph immediately after paragraph 65—

65A. Taxable goods locally purchased or imported by manufacturers or importers of artisanal tools approved by the Cabinet Secretary upon recommendation by the Cabinet Secretary for the time being responsible for industrialization.

(Hon. John Kiarie)

Proposed amendment declared inadmissible under Article 114 of the Constitution
(Speaker’s Communication of September 25, 2019)

Clause 19 - as amended agreed to

New Clause 16A proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 16 —

Amendment of section 10 of No.35 of 2013 of **16A.** Section 10 of the Value Added Tax Act, 2013 is amended—

(a) in subsection(1) by deleting the expression “a registered person” and substituting therefor the expression “any person”;

(b) in sub-section (3) by deleting the expression “a registered person” and substituting therefor the expression “any person”.

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed-

THAT, the New Clause 16A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed-

THAT, the New Clause 16A be part of the Bill

Question put and agreed to;

EXCISE DUTY ACT

Clause 20 - agreed to

Clause 21 - amendment proposed-

THAT, the Bill be amended by deleting clause 21.

(Hon. Kuria Kimani)

Proposed amendment declared inadmissible under Article 114 of the Constitution
(Speaker’s Communication of September 25, 2019)

Clause 21 - agreed to

Clause 22 - agreed to

Clause 23 - amendment proposed –

THAT, the Bill be amended in clause 23 –

(a) in paragraph (a) by-

(i) by deleting subparagraph (i) and substituting therefor the following new subparagraph-

“(i) by deleting the rate of excise duty in respect of the description set out in the first column hereunder and substituting therefor the new rates respectively in the second column-

Description *Rate of Excise*

Cigars, cheroots, cigarillos, containing tobacco or tobacco substitutes	Shs. 12,624 per kg
Electronic cigarettes	Shs. 3,787 per unit
Cartridge for use in electronic cigarettes	Shs. 2,525 per unit
Cigarette with filters (Hinge lid and soft cap)	Shs. 3,157 per mille
Cigarettes without filters (plain cigarettes)	Shs. 2,272 per mille
Other manufactured tobacco and manufactured tobacco substitutes; "homogenous" and "reconstituted tobacco"; tobacco extracts and essences	Shs. 8,837 per kg
Wines including fortified wines, and other alcoholic beverages obtained by fermentation of fruits	Shs.189 per litre
Spirits of undenatured ethyl alcohol; spirits liqueurs and other spirituous beverages of alcoholic strength exceeding 10%	Shs. 253 per litre

(ii) inserting the following sub-paragraphs immediately after sub-paragraph (iii)-

“(iv) by deleting the description relating to sugar confectionary (including white chocolate) together with the corresponding rates of excise duty, and substituting therefor the following—

Description	Rate of Excise
Imported confectionary of heading 17.04;	sugar tariff Shs. 20 per kg
Imported white chocolate in blocs, slabs or bars of tariff Nos. 1806.31.00, 1806.32.00,1806.90.00	Shs 200 per kg.

“(v) by inserting the following new item—

Description	Rate of Excise
Imported gas cylinders	35%

(b) in paragraph (b) in the proposed new paragraph 5 by deleting the word “ten” and substituting therefor the word “twenty”.

(c) in paragraph (c) by deleting subparagraph (ii) and substituting therefor the following new sub-paragraph –

(ii) by deleting the expression “or an insurance premium or premium based or related commissions” the definition of the term “other fees” and substituting therefor the expression “or fees or commissions earned in respect of a loan or any share of profit or an insurance premium or premium based or related commissions specified in the Insurance Act or regulations made thereunder”.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Further amendment –

THAT, clause 23 of the Bill be amended by deleting paragraph (b).

(Hon. Kuria Kimani)

Proposed amendment declared inadmissible under Article 114 of the Constitution
(Speaker’s Communication of September 25, 2019)

Clause 23 - as amended agreed to

TAX PROCEDURES ACT

Clause 24 - agreed to

Clause 25 - amendment proposed –

THAT, the Bill be amended in clause 25 in the proposed new section 37C (1) by deleting the expression “assessing or” immediately after the words “shall refrain from”.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 25 - as amended agreed to

Clauses 26, 27 & 28 - agreed to

Clause 29 - amendment proposed –

THAT, the Bill be amended in clause 29 in the new subsection 11 by inserting the words “deemed to be” immediately after the expression “objection shall be”.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 29 - as amended agreed to

Clauses 30, 31 & 32 - agreed to

MISCELLANEOUS FEES AND LEVIES ACT

Clause 33 - agreed to

Clause 34 - amendment proposed –

THAT, the Bill be amended by deleting clause 34 and substituting therefor the following new clause-

Amendment of 7 of No. 29 of 2016. 34. Section 7 of the Miscellaneous Fees and Levies Act, 2016 is amended –

(a) in subsection (2) by deleting the word “two” appearing immediately after the words “rates of” and substituting therefor the words “three point five”;

(b) by inserting the following new subsection immediately after subsection (2) –

(2A) Without prejudice to the provisions of subsection (2), the fee at a rate of one point five per cent shall be charged on the custom value of-

(a) raw materials and intermediate products imported by approved manufacturers;

(b) raw materials and intermediate products imported by manufacturers approved by the Cabinet Secretary on the recommendation of the Cabinet Secretary responsible for matters relating to industry;

(c) input for the construction of houses under an affordable

housing scheme approved by the Cabinet Secretary on the recommendation of the Cabinet Secretary responsible for matters relating to housing.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 34 - as amended agreed to

Clause 35 - amendment proposed –

THAT, the Bill be amended by deleting clause 35 and substituting therefor the following new clause

Amendment of 8
of No. 29 of 2016.

35. Section 8 of the Miscellaneous Fees and Levies Act, 2016 is amended by-

(a) deleting the expression “one point five” appearing immediately after words “rate of” and substituting therefor the word “two”;

(b) inserting the following new subsection immediately after subsection (2) –

(2A) Without prejudice to the provisions of subsection (2), the levy at a rate of one point five per cent shall be charged on the customs value of-

(a) raw materials and intermediate products imported by manufacturers approved by the Cabinet Secretary, on the recommendation of the Cabinet Secretary responsible for matters relating to industry; and

(b) inputs for the construction of houses under an affordable housing scheme approved by the Cabinet Secretary, on the recommendation of the Cabinet Secretary responsible for matter relating to housing.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 35 - as amended agreed to

Clause 36 - agreed to

Clause 37 - amendment proposed –

THAT, the Bill be amended by deleting clause 37.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 37 - deleted

MISCELLANEOUS ACTS

Clauses 38, 39, 40, 41 & 42 - agreed to

(Change of Chair from Third to Fourth Chairperson)

Clause 43 - amendment proposed -

THAT, the Bill be amended by deleting clause 43 and substituting therefor the following new clause-

Amendment of section 33B of Cap 488.

43. Section 33B of the Banking Act is amended by—

(a) deleting subsection (1) and substituting therefor the following new subsection —

“(1) A bank or financial institution shall set the maximum annual interest rate chargeable for a loan in Kenya at no more than four percentage points above the Central Bank Rate set and published by the Central Bank of Kenya under section 36(4) of the Central Bank Act.”

(b) deleting subsection (3) and substituting therefor the following new subsection —

(3) Any person who contravenes the provisions of subsection (2) commits an offence and shall, on conviction, be liable to a fine of not less than one million shillings or to imprisonment for a term not less than one year.

(c) inserting the following new subsection immediately after subsection (3) —

(4) In this section, the term “loan” has the meaning assigned to it under section 44A (5).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 43 - as amended agreed to

Clause 44 - amendment proposed -

THAT, clause 44 of the Bill be amended in the proposed definition of the term “consolidation” by inserting the expression “at the country of supply” immediately after the word “consignment”.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 44 - as amended agreed to

Clause 45 - amendment proposed –

THAT, clause 45 of the Bill be amended in subsection (2)(d) of the proposed new section 14C by deleting the expression “in the last three years”.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 45 - as amended agreed to

Clauses 46, 47 & 48 - agreed to

Clause 49 - amendment proposed –

THAT, the Bill be amended by deleting clause 49 and substituting therefor the following new clause –

Amendment of section 17 of No. 15 of 2008.

49.Section 17 of the Accountants Act, 2008 is amended by deleting subsection (2A) and substituting therefor the following new subsection –

(2A) Any person wishing to undertake the examinations in accountancy prescribed by the Examinations Board shall first register with the Institute as a trainee accountant.

(The Leader of the Majority Party)

Proposed amendment withdrawn.

Further amendment proposed –

THAT, the Bill be amended by deleting clause 49 and substituting therefor the following new clause-

Amendment of section 17 of No. 15 of 2008.

49. Section 17 of the Accountants Act, 2008 is amended by deleting sub-section (2A) and substituting therefor the following new sub-section-

(2A) The Examination Board jointly with the Institute shall require a trainee accountant to be registered as a member of the Institute, before undertaking an examination.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Proposed amendment withdrawn.

Clause 49 - agreed to

Clauses 50 & 51- Clauses expunged from the Bill (*Speaker’s Communication of September 19, 2019*)

New Clause 40A -

THAT, the Bill be amended by inserting the following new clause immediately after clause 40 —

40A. The Capital Markets Act is amended by deleting section 24 A and substituting therefor the following new section—

Deletion
and
substitutio
n of section
24A in Cap.
485A.

24 A. (1) The Authority shall determine as fit and proper —

- (a) any key personnel of a licensed and approved persons; and
- (b) the chief executive officer, chief financial officer and Board of Directors of an issuer of securities to the public.

(2) The Authority shall, in determining if a person is fit and proper for the purposes of this Act consider, as applicable, the-

- (a) financial status or solvency;
- (b) educational or other qualifications or experience having regard to the nature of the functions
- (c) which, if the application is granted, the person will perform;
- (d) status of any other regulatory license or approval granted by any financial sector regulator;
- (e) ability to carry on the regulated activity competently, honestly and fairly; and
- (f) reputation, character, financial integrity and reliability, of –
 - (i) in case of a natural person, that individual; or
 - (ii) in case of a company, the company, its chairperson, directors, chief executive, management and all other personnel

including all duly appointed agents, and any substantial shareholder of the company.

(3) Without prejudice to the generality of subsection (1), the Authority may, in considering whether a person is fit and proper, have regard to whether the person –

- (a) has contravened the provision of any law, in Kenya or elsewhere, designed for the protection of members of the public against financial loss due to dishonesty or incompetence, or malpractice by persons engaged in transacting with marketable securities;
- (b) was a director of a licensed person, issuer or public entity which has been liquidated or is under liquidation or statutory management;
- (c) has taken part in any business practice which, in the opinion of the Authority, was fraudulent, prejudicial to the market or public interest, was otherwise improper or which would otherwise discredit their methods of conducting business;
- (d) has taken part or has been associated with any business practice which casts doubt on the competence or soundness of judgment of that person; or
- (e) has conducted himself in a manner as to cast doubt on his competence and soundness of judgment.

(4) For a licensed or approved person, the Authority shall –

- (a) take into account any information in the possession of the Authority whether provided by the applicant or not, relating to any person who is to be employed by, associated with, or who will be acting for or on behalf of, the applicant for the purposes of a regulated activity including any agents;
 - (i) where the applicant is a company in a group of companies any other company in the same group of companies; or
 - (ii) where the applicant is a company in a group of companies any substantial

shareholder or key personnel of the company or any company referred to in subparagraph (ii);

- (b) take into account whether the applicant has established effective internal control procedures and risk management systems to ensure its compliance with all applicable regulatory requirements; and
- (c) have regard to the state of affairs of any other business which the person carries on or purports to carry on.

(5) For the purposes of this section, “group of companies” means any two or more companies one of which is the holding company of the other.

(6) The Authority shall give a person an opportunity to be heard before determining that a person is not fit and proper for the purposes of this Act.

(7) The Authority may revoke the appointment of any person determined not to be fit and proper.

(Hon. Samuel Atandi)

Proposed amendment declared inadmissible under Standing Order 133(5) *(Speaker’s Communication of September 25, 2019)*

New Clause 41A -

THAT, the Bill be amended by inserting the following new clause immediately after clause 41 —

Insertion of sections in Cap. 485A **41A.** The Capital Markets Act is amended by inserting the following new sections immediately after sections 30G —

Appointment of auditor

30GA. (1) An issuer of securities to the public shall not appoint or remove its auditor except with the prior written approval of the Authority at least one month prior to such appointment or removal.

(2) An audit firm shall be qualified for appointment if such a firm has –

- (a) at least three years’ experience of the firms’ partners in auditing companies operating in the financial sector;

- (b) adequate resources, capacity and ability to

perform its duties with professional competence and due care in accordance with approved professional auditing standards and applicable legal and regulatory requirements;

- (c) valid practicing certificates of the audit partners in charge of the audits as well as the auditors;
- (d) a valid annual license for the audit firm from the Institute of Certified Public Accountants of Kenya;
- (e) clearance from the Institute of Certified Public Accountants of Kenya that the partners, auditors and the auditing firm have no pending disciplinary actions or any on-going administrative or criminal case;
- (f) not been suspended or refused approval to carry out audit work by other financial sector regulators;
- (g) declared under oath that the audit firm or the lead audit partner has no pending administrative or criminal case and has not been convicted of or been an accomplice in any offence involving corruption, fraud, tax evasion, money laundering or other economic and financial crimes; and
- (h) declared any transaction current or past that may give rise to a potential conflict of interest.

Responsibilities of Audit firm

30GB. (1) The Audit firm approved by the Authority shall –

- (a) report to the Authority that the company it is auditing has complied with the applicable capital markets laws and regulations and detail the extent of their compliance with the Code for Corporate Governance;
- (b) submit evidence that the firm have appeared before and reported to the audit committee of the company on the key audit findings on the operation of the entity;
- (c) provide the Authority with copies of the key audit matters, copies of the management letters and where requested, copies of working papers or any other information as may be requested by the Authority;

- (d) submit such additional information in relation to its audit as the Authority may consider necessary, from time to time;
- (e) carry out any other special investigation as may be directed by the Authority;
- (f) report to the Authority as soon as is practically possible any findings or suspicions of-

- (i) serious breach of or non-compliance with the Act or the regulations there under;

- (ii) a criminal offence involving fraud or dishonesty that has been committed by the entity or by any of its officers or employees;

- (iii) serious irregularities that have occurred which may jeopardize the interest of investors or clients as the case may be; and

- (iv) actions by the company to conceal or fail to provide information that is necessary for the purposes of conducting the audit.

(2) The cost of carrying out any of these additional responsibilities, where required, shall be borne by the company being audited.

Resignation of Auditor.

30GC. (1) Once approved by the Authority, an auditing firm shall be deemed fit to provide auditing services for issuers of securities to the public unless and until such approval is revoked by the Authority

(2) Where a firm resigns as an auditor of a company or fails to express its intention to continue auditing a company, it shall submit to the Authority reasons for such resignation.

Disqualification of auditor by Authority

30GD. The Authority may disqualify from operating within the capital markets industry an audit firm or audit partner, where such firm or partner-

- (a) conducts an audit without securing an approval from the Authority; or

- (b) fails to perform their responsibilities

under the International Financial Reporting Standards, International Accounting Standards or the responsibilities specified above.

(Hon. Samuel Atandi)

Proposed amendment declared inadmissible under Standing Order 133(5) *(Speaker’s Communication of September 25, 2019)*

New Clause 45A proposed –

THAT, Bill be amended by inserting the following new clause immediately after clause 45-

Insertion of new s. 22 in Cap. 496 **45A.** The Standards Act is amended by inserting the following new section immediately after section 21-

Transitional provision. 22. The provisions of section 14C (2) (d) shall not apply to any company, which was in the business of consolidation before the commencement of this Act.

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed-

THAT, the New Clause 45A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed-

THAT, the New Clause 45A be part of the Bill

Question put and agreed to;

New Clause 48 proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 48-

Amendment of section 4 of No. 15 of 2008.

48A. Section 4 of the Accountants Act, 2008 is amended –
(a) in subsection (2) by inserting the following new paragraph immediately after paragraph (c) –

(ca) trainee accountant members, being –

(i) persons registered under section 17(2A) by the

Examinations Board and who are undertaking professional accountancy education or training; or
(ii) persons practicing accountancy as part of the initial professional development towards qualification as an accountant.

(b) by inserting the following new subsection immediately after subsection (4)—

(5) Membership of the Institute under subsection (2)(ca) shall be for such period as the Cabinet Secretary may prescribe, after which the member shall apply for membership under paragraph (b) or (c) of that subsection.

(Leader of the Majority Party)

Proposed amendment withdrawn.

Further New Clause 48A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 48 –

Amendment of section 8 of No. 15 of 2008.

48A. Section 8 of the Accountants Act, 2008 is amended by deleting paragraph (a) and substituting therefor the following new paragraph –
(a) promote standards of professional competence and practice in accountancy;

(Chairperson, Departmental Committee on Finance & National Planning)

Proposed amendment withdrawn.

New Clauses 49A, 49B, 49C & 49D proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 49 –

Amendment of section 19 of No. 15 of 2008.

49A. Section 19 of the Accountants Act, 2008 is amended –

- (a) by deleting sub-section (2) and substituting therefor the following new subsection-
 - (2) A salaried employee of the Government practices as an accountant if he-
 - (a) engages in the practice of accountancy;
 - (b) performs services involving the auditing or verification of financial transactions, books, accounts or records;
 - (c) performs services involving the verification or certification of financial accounts and related statements;
 - (d) engages in any practice, or performs or offers to

- perform any services, which may be prescribed.
- (b) by inserting the following sub-sections immediately after subsection (3)-
- (4) No person or a public or private entity shall employ a person to practice accountancy unless the person to be employed is a member of the Institute.
 - (5) No person holding foreign qualifications shall practice accountancy in Kenya unless he or she satisfies the requirement of section 26(3) and is registered with the Institute.
 - (6) A trainee accountant or associate accountants shall not hold themselves as accountants.
 - (5) The Institute shall prescribe guideline for the practice of accountancy by associate accountants.
 - (7) The Institute shall, in consultation with the Examination Board, prescribe guidelines for the practice of accountancy by trainee accountants.

49B.The Accountants Act, 2008 is amended by inserting the following new section immediately after section 19-

Insertion of new section 19A in No. 15 of 2008.

Foreigner practicing accountancy.

19A. (1) A foreigner who intends to practice accountancy in Kenya for the purpose of performing a specific assignment shall apply to the Institute for registration and shall satisfy the Institute of his or her qualifications.

(2) The Institute may register the person to practice accountancy in Kenya for a period not exceeding one year or for the duration of the assignment.

49C.The Accountants Act, 2008 is amended by deleting section 46 and substituting therefor the following new section-

Amendment of section 46 in No. 15 of 2008.

46. (1) The Cabinet Secretary may, by Regulations. notice in the *Gazette*, make regulations to provide for—

- (a) anything which shall or may be prescribed in terms of this Act; and
- (b) any matter which is necessary to prescribe for the effective implementation of the provisions and objects of this Act.

(2) Without prejudice to the generality of subsection (1), the Cabinet Secretary may make regulations to provide for-

- (a) registration of persons with foreign

qualifications;

(b) registration of foreigners to practice accountancy in Kenya.

(3) For the purpose of Article 94(6) of the Constitution-

(a) the purpose and objective of the delegation under this section is to enable the Attorney General to make regulations to provide for the better carrying into effect the provisions of this Act;

(b) the authority of the Attorney General to make regulations under this Act will be limited to bringing into effect the provisions of this Act and fulfillment of the objectives specified under this section;

(c) the principles and standards applicable to the regulations made under this section are those set out in the Interpretation and General Provisions Act and the Statutory Instruments Act.

Amendment of Seventh Schedule to No. 15 of 2008.

49D. The Seventh Schedule to the Accountants Act,2008 is amended by inserting the following paragraphs immediately after paragraph 12-

“13. Subject to section 19(4), any person who at the commencement of this Act was employed or was performing functions which may be deemed to be the practice of accountancy shall register with the Institute.

14. The Council shall establish a class for registration of the persons under paragraph 12.

15. Any person who at the commencement of this Act was practising accountancy in Kenya contrary to the provisions of section 19A shall apply for registration within twelve months.

(Chairperson, Departmental Committee on Finance & National Planning)

Proposed amendments withdrawn.

New Clauses 51, 52, 53, 54, 55, 56, 57, 58, 59, 60 & 61 proposed -

THAT, Part VII of the Bill be amended by inserting the following new clauses immediately after clause 50 —

Amendment of the long title to Cap.

51. The long title to the Housing Act is amended by deleting the words “a Housing Fund” and substituting therefor the words “the

117..

National Housing Development Fund”.

Amendment of section 2 of Cap. 117.

52. Section 2 of the Housing Act is amended—

- (a) in the definition of “grant” by deleting the words “Housing Fund” and substituting therefor the words “the National Housing Development Fund”; and
- (b) by deleting the definition of “Housing Fund”;
- (c) by inserting the following new definition in its proper alphabetical sequence—

“National Housing Development Fund” means the Fund established under section 6 of this Act.

Amendment of marginal note to section 6 of Cap. 117.

53. The marginal note to section 7 of the Housing Act is amended by deleting the words “Housing Fund” and substituting therefor the words “the National Housing Development Fund”.

Amendment of section 6 of Cap. 117.

54. Section 7 of the Housing Act is amended—

- (a) by deleting the words “Housing Fund” appearing in subsection (1) and substituting therefor the words “National Housing Development Fund”;
- (b) by deleting the words “Housing Fund” wherever they appear in subsection (2) and substituting therefor the words “National Housing Development Fund”; and
- (c) by deleting the words “Housing Fund” wherever they appear in subsection (3) and substituting therefor the words “National Housing Development Fund”.

Amendment of section 7 of Cap. 117.

55. Section 8 of the Housing Act is amended by deleting the words “Housing Fund” appearing in the opening words of subsection (1) and substituting therefor the words “National Housing Development Fund”.

Amendment of section 7A of Cap. 117.

56. Section 9 of the Housing Act is amended by deleting the words “Housing Fund” appearing in subsection (3) and substituting therefor the words “National Housing Development Fund”.

Amendment of section 1 of Cap. 117.

57. Section 14 of the Housing Act is amended by deleting the words “Housing Fund” appearing in the opening words of paragraph (a) and substituting therefor the words “National Housing Development Fund”.

Amendment of section 12 of Cap.

58. Section 15 of the Housing Act is amended by deleting the words

117. "Housing Fund" and substituting therefor the words "National Housing Development Fund".

Amendment of section 24 of Cap. 117.

59. Section 28 of the Housing Act is amended—

(a) by deleting subsection (2) and replacing it with the following new subsection-

(2) A person convicted of an offence under this Act shall be liable to a fine not exceeding one million shillings or to imprisonment for a term not exceeding three years or both.

(b) by inserting the following new subsection immediately after subsection (2)—

(2A) If an act or commission of a person results in the loss of money from the National Housing Development Fund, that person shall be liable to a penalty equivalent to twice the amount lost.

Amendment of section 12 of Cap. 117.

60. Section 29 of the Housing Act is amended in subsection (4) by deleting the words "Housing Fund" and substituting therefor the words "National Housing Development Fund".

Amendment of section 117 of Cap. 480.

61. Section 117 of the Stamp Duty Act is amended in subsection (1) by inserting the following new paragraph immediately after paragraph (n)—

(o) the transfer of a house constructed under an affordable housing scheme from the developer to the National Housing Corporation.

(Chairperson, Departmental Committee on Finance & Planning)

Motion made and Question proposed-

THAT, the new clauses 51, 52, 53, 53, 54, 55, 56, 57, 58, 59, 60 & 61 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed-

THAT, the new clauses 51, 52, 53, 53, 54, 55, 56, 57, 58, 59, 60 & 61 be part of the Bill

Question put and agreed to;

Title - agreed to

Clause 1 - amendment proposed-

THAT, clause 1 of the Bill be amended in paragraph (a) by inserting the words “New Clause 7A and New Clause 8A” immediately after figure “7”.

(Chairperson, Departmental Committee on Finance & Planning)

Debate arising;

Question put and agreed to.

Clause 1 - as amended agreed to.

Bill to be reported with amendments.

9. **HOUSE RESUMED** - the Second Chairperson in the Chair

The Finance Bill (National Assembly Bill No.51 of 2019)

Bill reported with amendments;

Motion made and Question proposed –

THAT, the House do agree with the Committee in the said report

(Chairperson, Departmental Committee on Finance & Planning)

Question deferred to another day.

10. **MOTION - REVISED SESSIONAL PAPER NO.1 OF 2019 ON THE POLICY FRAMEWORK FOR REFORMING EDUCATION AND TRAINING FOR SUSTAINABLE DEVELOPMENT IN KENYA**

Motion made and Question proposed –

THAT, this House notes the Report of the Departmental Committee on Education and Research on its consideration of the Revised Sessional Paper No. 1 of 2019 on the Policy Framework for Reforming Education and Training for Sustainable Development in Kenya, *laid on the Table of the House on Tuesday, September 17, 2019* and **adopts** the Revised Sessional Paper No. 1 of 2019 on the Policy Framework for Reforming Education and Training for Sustainable Development in Kenya.

(Chairperson, Departmental Committee on Education & Research – 18.9.2019)

Debate interrupted on Tuesday, September 24, 2019 resumed;

And the time being Seven o'clock, the Second Chairperson interrupted the proceedings and adjourned the House without Question put pursuant to the Standing Orders.

11. HOUSE ROSE - at Seven O'clock

—

M E M O R A N D U M

The Speaker will take the Chair on
Thursday, September 26, 2019 at 2.30 p.m.

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