



REPUBLIC OF KENYA

TWELFTH PARLIAMENT – THIRD SESSION

THE NATIONAL ASSEMBLY

VOTES AND PROCEEDINGS

TUESDAY, NOVEMBER 19, 2019

1. The House assembled at thirty minutes past Two O'clock
2. The Proceedings were opened with Prayer
3. **Presiding** – the Honourable Speaker
4. **ADMINISTRATION OF OATH**

The Speaker administered Oath of Office to the following new Member for Kibra Constituency –

OKOTH, BERNARD OTIENO

5. **MESSAGES FROM H.E. THE PRESIDENT**

The Speaker conveyed the following Messages from H.E. the President –

a). Nomination of a Representative of the Parliamentary Service Commission (PSC) to the Salaries and Remuneration Commission (SRC)

“Honourable Members,

Pursuant to the provisions of Standing Order No. 42, I wish to convey the following Message from His Excellency the President relating to nomination of a representative of the Parliamentary Service Commission to the Salaries and Remuneration Commission.

In the Message, H.E. the President conveys that, in exercise of powers conferred by Article 230(2)(b)(i) of the Constitution and section 7(10) of the Salaries and Remuneration Commission, 2011, he nominates **Hon. Amina Abdalla** as the representative of the Parliamentary Service Commission to the Salaries and Remuneration Commission. H.E. the President therefore seeks the approval of this House on the nominee for appointment to the aforementioned position.

Honourable Members, Standing Order 45 requires that, upon receipt of notification of nomination for appointments, such nomination shall stand committed to the relevant Departmental Committee of the House for consideration. Pursuant to the provisions of the said Standing Order therefore, and paragraph (3) of Standing Order 42 (*Messages*

from the President), I hereby refer the Message from His Excellency the President on the representative of the Parliamentary Service Commission to the Salaries and Remuneration Commission to the Departmental Committee on Finance and National Planning to undertake the necessary approval hearings.

Honourable Members, section 7(11) of the Salaries and Remuneration Commission Act, 2011, requires the National Assembly to either approve or reject the nominee to the respective position within fourteen (14) days. In this regard, I wish to guide the Committee and the House as follows, THAT:-

- (i) the Committee should notify the nominee and the general public of the time and place for holding the approval hearing, in good time. The notification should therefore be made on Wednesday, November 20, 2019; and,
- (ii) the Committee may thereafter commence the necessary approval hearing and submit its report to this House on or before **Tuesday, 3rd December, 2019** in respect of the nominee of the Parliamentary Service Commission to the Salaries and Remuneration Commission.

I thank you!"

b). On Nominee for Approval as the Controller of Budget

Honourable Members,

Pursuant to the provisions of Standing Order No. 42(1) of the National Assembly Standing Orders, I wish to report to the House that I have received a Message from His Excellency the President relating to nomination of Controller of Budget.

In the Message, H.E. the President conveys that, in exercise of powers conferred by Article 228(1) of the Constitution and Section 4(9) of the Controller of Budget Act, 2016, he nominates **Dr. Margaret Nyang'ate Nyakang'o** for appointment as the Controller of Budget. H.E. the President therefore seeks the approval of this House on the nominee for appointment to the aforementioned position.

Honourable Members,

Section 8 of the Public Appointments (Parliamentary Approval) Act provides that the relevant Committee of the House will consider the suitability or otherwise of the nominee and table its report for consideration by the House within fourteen (14) days from the date the notification of nomination is conveyed to the House. Further, the Act requires that the public be given seven (7) days notification to submit their views regarding the suitability or otherwise of the nominee.

In this regard, and in accordance with the provisions of Article 259(5)(a) of the Constitution as read together with section 5 of the said Act, the seven (7) days' notification to the public shall start running on the day following the day when the notice is published in the dailies.

Honourable Members, it is advisable that the relevant Committee expeditiously proceeds to notify the nominee and the public, commence the approval hearing after the seven-day

notification period, and table a Report **on or before Tuesday, December 3, 2019** to enable the House to consider the matter within the statutory timelines. This Message, together with the Curriculum Vitae of the nominee therefore, stands committed to the Departmental Committee on Finance and National Planning for consideration.

I thank you!"

6. **PAPERS LAID**

The following Papers were laid on the Table of the House–

- i) Quarterly Economic and Budgetary Review Report for the period ending 30th September, 2019 (First Quarter, Financial year 2019/2020) from the National Treasury and Planning;
- ii) Multilateral Convention on Mutual Administration Assistance in Tax Matters (MAC) and the Explanatory Memorandum from the Ministry of Foreign Affairs (*referred to the Departmental Committee on Defence and Foreign Relations*); and
- iii) The 2nd Quarter Report by the Ethics and Anti - Corruption Commission for the period from 1st April to 30th June, 2019.

(Leader of the Majority Party)

7. **QUESTIONS**

The following Questions were asked –

- i). Question No.496/2019 by the Member for Lamu County (Hon. (Capt.) Ruweida Obo) regarding subdivision and survey of Vumbe Area of Lamu County.
(To be replied by the Cabinet Secretary for Lands before the Departmental Committee on Lands)
- ii). Question No.497/2019 by the Member for Kikuyu (Hon. Kimani Ichung'wah) regarding policy addressing autism and requisite budgetary allocation.
(To be replied by the Cabinet Secretary for Health before the Departmental Committee on Health)
- iii). Question No.498/2019 by the Member for Kilome (Hon. (Eng.) Thuddeus Nzambia) regarding payment of monthly stipend to village elders in Kilome Constituency.
(To be replied by the Cabinet Secretary for Interior and Coordination of National Government before the Departmental Committee on Administration and National Security)
- iv). Question No.499/2019 by the Nominated Member (Hon. David Ole Sankok) regarding detailed listing of staff and management of Maasai Mara University.
(To be replied by the Cabinet Secretary for Education before the Departmental Committee on Education and Research)

8. **STATEMENTS**

- a) Pursuant to Standing Order 44(2)(c), the Chairperson of the Departmental Committee on Administration and National Security (Hon. Paul Koinange) issued a Response to a Statement sought by the Member for Laikipia North (Hon. Sarah Korere) regarding persistent insecurity in Laikipia North Constituency;
- b) Pursuant to Standing Order 44(2)(c), the Chairperson of the Departmental Committee on Finance and National Planning (Hon. Joseph Limo) issued a Response to a Statement sought by the Member for Mandera North (Hon. (Maj.) (Rtd) Abdulla Bashir Haji regarding the 2019 National Housing and Population Census; and
- c) The Leader of the Majority Party (Hon. Aden Duale) informed the House that the Mediation on the County Governments (Amendment) Bill (Senate Bill No. 7 of 2017) and the County Governments (Amendment) Bill (Senate Bill No. 11 of 2017) had ran into unanticipated headwinds occasioning inordinate delay in consideration of the two Bills. Honourable Speaker asked Hon. Oku Kaunya to verify whether a Secretariat had been deployed to facilitate the work of the Mediation Committee, and to invite his Senate counterparts to a meeting of the mediation Committee.

9. **MOTION - APPROVAL OF VALUE ADDED TAX (AMENDMENT) REGULATIONS, 2019**

Motion made and Question proposed-

THAT, this House **adopts** the Report of the Committee on Delegated Legislation on its consideration of the Value Added Tax (Amendment) Regulations, 2019 (*Legal Notice No. 86 of 2019*), laid on the Table of the House on Wednesday, November 06, 2019, and pursuant to the provisions of section 67(2) of the Value Added Tax Act, 2013 **approves** the Value Added Tax (Amendment) Regulations, 2019.

(Chairperson, Committee on Delegated Legislation -14.11.2019)

Debate on the Motion having been concluded on Thursday, November 14, 2019;

Question put and agreed to.

10. **MOTION - ANNULMENT OF THE PRIVATE SECURITY (GENERAL) REGULATIONS, 2019**

THAT, this House **adopts** the Report of the Committee on Delegated Legislation on its consideration of the Private Security (General) Regulations, 2019 (*Legal Notice No. 108 of 2019*), laid on the Table of the House on Wednesday, November 06, 2019, and pursuant to the provisions of section 18 of the Statutory Instruments Act, 2013 and Standing Order 210 (4)(b) **annuls in entirety** the said Regulations.

(Chairperson, Committee on Delegated Legislation -14.11.2019)

Debate on the Motion having been concluded on Thursday, November 14, 2019;

Question put and agreed to.

11. **MOTION - ANNULMENT OF THE PUBLIC SERVICE COMMISSION REGULATIONS, 2019**

THAT, this House **adopts** the Report of the Committee on Delegated Legislation on its consideration of the Public Service Commission Regulations, 2019 (*Legal Notice No 65 of 2019*), laid on the Table of the House on Wednesday, November 06, 2019, and pursuant to the provisions of section 18 of the Statutory Instruments Act, 2013 and Standing Order 210 (4)(b) **annuls in entirety** the said Regulations.

(Chairperson, Committee on Delegated Legislation -14.11.2019)

Debate on the Motion having been concluded on Thursday, November 14, 2019;

Question put and agreed to.

12. **MOTION - ANNULMENT OF PART OF THE POLITICAL PARTIES (FUNDING) REGULATIONS, 2019**

THAT, this House **adopts** the Report of the Committee on Delegated Legislation on its consideration of the Political Parties (Funding) Regulations, 2019 (*Legal Notice No. 143 of 2019*), laid on the Table of the House on Wednesday, November 06, 2019, and pursuant to the provisions of section 18 of the Statutory Instruments Act, 2013 and Standing Order 210(4)(b) **annuls regulation 18** of the said Regulations.

(Chairperson, Committee on Delegated Legislation -14.11.2019)

Debate on the Motion having been concluded on Thursday, November 14, 2019;

Question put and agreed to.

13. **COMMITTEE OF THE WHOLE HOUSE**

The Public Finance Management (Amendment) Bill (National Assembly Bill No. 51 of 2017)

Before the Committee of the Whole House on the Public Finance Management (Amendment) Bill (National Assembly Bill No. 51 of 2017) commenced, the Chairperson of the Budget and Appropriations Committee (Hon. Kimani Ichung'wah) protested to the Honourable Speaker that his Committee had not considered the proposed amendment to Clause 30 by the Member for Mathare (Hon. Anthony Oluoch) yet it had money-bill effect. The Honourable Speaker, having ascertained the validity of the claim, directed the scheduled Committee of the Whole House not to consider the said amendment to Clause 30.

Order for Committee read;

IN THE COMMITTEE

The Fourth Chairperson in the Chair

The Public Finance Management (Amendment) Bill (National Assembly Bill No. 51 of 2017)

Clauses 3, 4, 5, 6 and 7 - agreed to.

Clause 8 - amendment proposed -

THAT, Clause 8 of the Bill be amended by—

(a) deleting paragraph (b) and substituting therefor the following new paragraph—

(b) by deleting subsection (2) and substituting therefor the following new subsection—

(2) The National Treasury shall maintain the Consolidated Fund in Kenya Shilling or foreign denominated currency accounts to be known as the Consolidated Fund Accounts, kept at the Central Bank of Kenya and shall, subject to Article 206(1) of the Constitution—

(a) include the National Exchequer Accounts, Revenue Collection Accounts, Receipts into Domestic Debt Accounts, Overdraft Account, Special Project Deposit Accounts and any other accounts designated by the Cabinet Secretary;

(b) facilitate payment into that account or accounts all money raised or received by or on behalf of the national government; and

(c) pay from that National Exchequer Account or National Exchequer Accounts without undue delay all amounts that are payable for public services.

(b) inserting the following new paragraphs immediately after paragraph (b)—

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

(3) The National Treasury shall ensure that no National Exchequer Account is overdrawn at any time.

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

(4) Where a withdrawal from the Consolidated Fund is authorised under the Constitution or an Act of Parliament for the appropriation of money, the National Treasury shall make a requisition for the withdrawal and submit it to the Controller of Budget for approval, which request shall be made manually or electronically through a designated form prescribed by the Cabinet Secretary, provided that inter-account transfers within the Consolidated Fund Accounts shall require the Controller of Budget's approval.

(e) by deleting subsection (5) and substituting therefor the following new subsection—

(5) The approval of a withdrawal from the Consolidated Fund by the Controller of Budget, together with written instructions from the National Treasury requesting for the withdrawal, shall be sufficient authority for the Central Bank of Kenya to pay amounts from a National Exchequer Account in accordance with the approval and instructions provided, which approval or written instructions may be manual or electronic in a form prescribed by the Cabinet Secretary.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Proposed amendment withdrawn.

Clause 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, the Bill be amended by deleting Clause 10;

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 10 - deleted.

Clauses 11, 12, 13, 14, 15, 16 & 17 - agreed to.

Clause 18 - amendment proposed -

THAT, the Bill be amended by deleting Clause 18 and substituting therefor the following new Clause—

Amendment of section 78 of No. 18 of 2012.

18. Section 78 of the principal Act is amended by—

(a) renumbering the existing provision as sub-section(1);

(b) inserting the following new sub-section immediately after the renumbered sub-section (1)—

(2)Notwithstanding sub-section (1), the Kenya Revenue Authority may delegate its revenue collection responsibility to other agents.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 18 as amended - agreed to.

Clauses 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 & 29 - agreed to.

Clause 30 - amendment proposed

THAT, the Bill be amended in Clause 30 by –

- (a) inserting the following new paragraphs immediately before paragraph (a)–
 - (a) deleting paragraph (b) and substituting therefore the following paragraph-
 - (b) in every financial year not less than seventy percent of a county government’s approved budget shall be allocated to the development expenditure;
 - (b) by inserting the following new paragraph immediately after paragraph (b)-
 - (ba) subject to paragraph (b), the development expenditure shall be distributed equitably to all the wards in the County;
 - (c) deleting paragraph (c) and substituting therefor the following paragraph-
 - (c) the county government’s expenditure on wages and benefits for its public officers shall not exceed thirty percent of the county government’s approved budget;
- (b) by renumbering the existing paragraphs (a) and (b) as paragraph (d) and (e).

(Hon. Anthony Oluoch)

Proposed amendment dropped pursuant to provisions of Article 114 of the Constitution (Money Bill effect);

Clause 30 - agreed to.

Clause 31 - amendment proposed –

THAT, the Bill be amended by deleting Clause 31 substituting therefor the following new clause—

Amendment of section 109 of No. 18 of 2012.

31. Section 109 of the principal Act be amended—

- (a) in subsection (4)(a) by deleting the words “or a bank approved by the County Executive Committee member responsible for finance and shall be kept”; and
- (b) by inserting the following new subsections immediately after subsection (6)—
 - (6A) The County Treasury shall submit all requisitions to the controller of Budget as soon as is practically possible, but no later than forty eight hours upon receiving the request from respective entities.
 - (6B) An accounting officer when requisitioning for exchequer releases for a county assembly shall submit a copy of the requisition to the Controller of Budget and the Controller of Budget shall only release the funds upon verifying that the requisition submitted by the County Treasury and that by the County Assembly are in conformity.
 - (6C) A County Executive Committee member for finance shall not withhold or refuse to submit a requisition for a County Assembly to the Controller of Budget.

(6D) A County Executive Committee member commits an offence under this Act for withholding or refusing to the submit requisition on behalf of the County Assembly to the Controller of Budget.

(No.107)

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(1055)

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 31 as amended - agreed to.

Clauses 32 & 33 - agreed to.

Clause 34 - amendment proposed -

THAT, Clause 34 of the Bill be amended in paragraph (b) by deleting the word “thirty” and substituting therefor the word “twenty”

(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, clause 35 of the Bill be amended by inserting the following paragraph immediately before paragraph (a) —

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

(1) The County Treasury is responsible for authorizing the opening, operating and closing of bank accounts for the county government and its entities, except those of the County Assembly or as otherwise provided by other legislation and in accordance with regulations made under this Act.

(Leader of the Majority Party on behalf of Chairperson, Budget & Appropriations Committee)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Further amendment proposed -

THAT, Clause 35 of the Bill be amended—

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

(a)by deleting subsection (2) and substituting therefor the following subsection—

(2)Each County Treasury shall establish a Treasury Single Account system at the Central Bank of Kenya through which payments of money to and by the various county government entities are to be made.

(b) inserting the following new paragraphs immediately after paragraph (a)—

(aa)by inserting the following new sub section immediately after subsection (2)—

(2A)The County Treasury Single Account system shall include the County Revenue Fund accounts referred to in section 109(2), county department accounts and any other account designated by the County Treasury.

(ab)by deleting subsection (3) and substituting therefor the following subsection—

(3)The Treasury Single Account system shall not be operated in any manner that prejudices any entity to which funds have been disbursed.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the further amendment proposed;

Debate arising;

Question put and agreed to;

Clause 35 as amended - agreed to.

Clause 36 - amendment proposed -

THAT, the Bill be amended by deleting clause 36 and substituting therefor the following new clause —

Insertion of new section in No. 18 of 2018.

36. The principal Act is amended by inserting the following new clause immediately after section 119—

Criteria for approval to open bank account.

119A. (1) Subject to the provisions of section 119, a County Treasury may authorize a county government entity, including a county assembly to open and operate bank accounts only at the Central Bank of Kenya except—

(a) an imprest bank account which may be opened in a commercial bank account to facilitate the day to day operation of offices, provided the balance for the account shall not exceed a limit set by the Cabinet Secretary;

(b) a revenue collection account to facilitate receipt and transfer of revenue to the relevant County Revenue Fund;

(c) a bank account relating to a county public fund established pursuant to section 116 to facilitate administration of the fund; and

(d) any other bank account authorized by the Cabinet Secretary to opened in a commercial bank.

(2) Any bank account opened under subsection (1), for the primary purpose of collecting money raised or received by or on behalf of the county government shall be designated as a County Revenue Collection Account and shall be used only for the purposes of collecting money raised or received by or on behalf of the county government.

(3) Money paid into a bank account designated as a County Revenue Collection Account shall be promptly credited into the County Exchequer Account and shall be used and accounted for in accordance with Article 207 of the Constitution and section 109.

(4) No expenditure shall be paid out of a bank account designated as County Revenue Collection Account except as otherwise authorized by law.

(5) The County Treasury may prescribe the banking rules and the maximum balance which may be held in any official County Treasury Single Account sub-account or other bank accounts, and if at any time this balance seems likely to be exceeded, the officer operating the accounts shall consult the County Treasury on the action to be taken.

(6) No official county government bank account shall be overdrawn, nor shall any advance or loan be obtained from a bank account for official purposes beyond the limit authorized by the County Treasury in line with section 119(4) and the authority shall be conveyed in writing.

(7) An accounting officer of a county shall, for each quarter of a financial year, prepare and submit to the County Treasury a record of all bank accounts operated by the entity during the year, with a copy to the Controller of Budget, the Auditor General, and the National Treasury.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 36 as amended - agreed to.

Clauses 37, 38, 39 & 40 - agreed to.

Clause 41 - amendment proposed -

THAT, the Bill be amended by deleting Clause 41 and substituting therefor the following new clause—

Amendment of section 129 of No. 18 of 2012. **41.** Section 129 of the principal Act is amended in sub-section (3) by inserting the words “by 30th April each year” immediately after the words “member for finance.”

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 41 as amended - agreed to.

Clause 42 - amendment proposed -

THAT, Clause 42(c) of the Bill be amended in the proposed new subsection (7) by inserting the words “, the Controller of Budget and the Senate” immediately after the words “National Treasury.”

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 42 as amended - agreed to.

Clauses 43, 44, 45, 46, 47, 48, 49, 50, 51, 52 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63 & 64 - agreed to.

Clause 65 - amendment proposed -

THAT, the Bill be amended by deleting clause 65 and substituting therefor the following new clause—

Amendment of section 187 of No. 18 of 2012.

65. Section 187 of the principal Act is amended—

(a) in subsection (1) by inserting the following new paragraph immediately after paragraph (h)—

(i) chairpersons of the Committees of the Council of Governors; and

(b) by deleting sub-section (3).

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 65 as amended - agreed to.

Clauses 66, 67 & 68 - agreed to.

NEW CLAUSES

New Clauses 9A & 9B – amendment proposed –

THAT, the Bill be amended by inserting the following new clauses immediately after clause 9—

Amendment of section 25 of No. 18 of 2012.

9A. Section 25 of the principal Act is amended—

- (a) in subsection (2) by deleting the expression “15th” and substituting therefor the expression “1st”;and
- (b) in subsection (7) by deleting the words “fourteen days” and substituting therefor the words “thirty days”.

Amendment of section 28 of No. 18 of 2012.

9B. Section 28 of the principal Act is amended by inserting—

- (a) the following new subsections immediately after subsection (1)—

“(1A) Any bank account opened under subsection (1), for the primary purpose of collecting money raised or received by or on behalf of the national government shall be designated as a Revenue Collection Account and shall be used only for purposes of collecting money raised or received by or on behalf of the national government.

(1B)Money paid into a bank account designated as Revenue Collection Account shall be promptly credited into a National Exchequer Account and shall be withdrawn in accordance with Article 206 of the Constitution and section 17 of the Act.

(1C)For avoidance of doubt, no expenditure shall be paid out of a bank account designated as a Revenue Collection Account except as otherwise authorized by law.

(1D) Each financial year, an Accounting Officer of a national government entity shall prepare and submit to the National Treasury a record of all bank accounts operated by that entity during the year, with a copy to the Controller of Budget and the Auditor General.”

- (b) the word “system” immediately after the words “Treasury Single Account” appearing in subsection (2);
- (c) the word “system” immediately after the words “Treasury Single Account” appearing in subsection (3); and
- (d) inserting the following new sub-section immediately after sub-section (2)—

(2A) The Treasury Single Account system shall include the Consolidated Fund Accounts under section 17(2), including accounts of State Departments.

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed –

THAT, New Clauses 9A & 9B be read a Second Time;

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, New Clauses 9A & 9B be part of the Bill;
Debate arising;
Question put and agreed to;

New Clauses 9A & 9B - agreed to.

New Clauses 12A & 12B - amendment proposed -

THAT the Bill be amended by inserting the following new clauses immediately after clause 12-

Amendment of
section 39A of
No. 18 of 2012.

12A. Section 39A is amended by inserting the following new paragraph immediately after paragraph 4—

(5) The recommendation of the Cabinet Secretary in subsection (4)(f) shall be included in the report and tabled in the National Assembly.

Amendment of
section 40 of
No. 18 of 2012.

12B. The principal Act is amended in section 40 by deleting subsection (3), (4), (5) and (6).

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed -

THAT, New Clauses 12A & 12B be read a Second Time;
Debate arising;
Question put and agreed to;

Motion made and Question proposed -

THAT, New Clauses 12A & 12B be part of the Bill;
Debate arising;
Question put and agreed to;

New clauses 12A & 12B - agreed to.

New Clauses 36A - amendment proposed -

THAT the Bill be amended by inserting the following new clause immediately after Clause 36 -

36A. The Principal Act is amended by inserting the following new section immediately after section 124—

County Assembly Fiscal Bureau

County
Assembly
Fiscal Bureau

124A. (1) There is established in every County Assembly, a County Assembly Fiscal Bureau which shall be an office in the County Assembly Service.

(2) A County Assembly Fiscal Bureau shall consist of persons appointed on merit by virtue of their experience in public finance, economics or public policy.

(3) The County Assembly Fiscal Bureau shall-

- (a) provide non-partisan information, analysis, and reports with respect to budget, budget proposals, and finance to the relevant committees of the county assembly;
- (b) prepare reports on county budgets and economic trends, and make proposals to the Committees of the County Assembly responsible for budgetary matters;
- (c) analyze any Bill submitted to the County Assembly with reference to the fiscal responsibility principles and fiscal objectives set out in the relevant County Fiscal Strategy Paper;
- (d) establish and foster relationships with the National Treasury, Parliamentary Budget Office, County Treasury, and other county treasuries for the efficient and effective performance of its functions; and
- (e) ensure that all reports produced by the Bureau are published and publicized not later than fourteen days after production.

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed -

THAT, New Clause 36A be read a Second Time;
Debate arising;

Question put and agreed to;

Motion made and Question proposed -

THAT, New Clause 36A be part of the Bill;
Debate arising;

Question put and agreed to;

New Clause 36A - agreed to.

New Clauses 42A - amendment proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 42—

Insertion of
new section
in No 18 of
2012

42A. The principal Act is amended by inserting the following new section immediately after section 131—

Responsibilities
of County
Assemblies
Budget
Committee in
county public

131A.The Committee of a County Assembly established to deal with county budgetary matters has responsibility for the following matters, in addition to the functions set out in the respective County's

finance.

Standing Orders—

- (a) discuss and review the County budget Policy Statement and county budget estimates and make recommendations to the county assembly;
- (b) provide general direction on county budgetary matters;
- (c) monitor all county budgetary matters falling within the competence of the County assembly under this Act and report on those matters to the County assembly; and
- (d) review and scrutiny of relevant planning and budget documents before the county Assemblies.

(No.107)

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(1062)

(Chairperson, Departmental Committee on Finance & National Planning)

Motion made and Question proposed –

THAT, New Clause 42A be read a Second Time;
Debate arising;

Amendment to the amendment proposed –

THAT, the proposed New Clause 42 be amended by deleting the words “County budget Policy Statement” appearing in paragraph (a) and substituting therefor the words “County Fiscal Strategy Paper”

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Question put and agreed to;

Debate arising;

Question of the Second reading put and agreed to;

Motion made and Question proposed –

THAT, New Clause 42A as amended be part of the Bill;
Debate arising;

Question put and agreed to;

New Clause 42A as amended – agreed to.

New Clauses 54A – amendment proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 54—

Amendment of section 164 of No. 18 of 2012.

54A. Section 164(4) of the principal Act is amended by inserting the words “the National Treasury” immediately after the words “County Treasury” appearing in paragraph (b).

Motion made and Question proposed –

THAT, New Clause 54A be read a Second Time;
Debate arising;
Question put and agreed to;

Motion made and Question proposed –

THAT, New Clause 54A be part of the Bill;
Debate arising;
Question put and agreed to;
New clause 54A – agreed to.

Clause 2 – amendment proposed –

THAT, Clause 2 of the Bill be amended by—

- (a) inserting the following new paragraphs immediately after paragraph (a)—
 - (aa) deleting the definition of “National Exchequer Account” and substituting therefor the following new definition—

“National Exchequer Account” means the National Exchequer Account or Accounts referred to in section 17;

- (ab) deleting the definition of “public money” and substituting therefor the following new definition—

“public money” includes—

- (a) all money that comes into possession of, or is distributed by, a national or county government entity and money raised by a private body where it is doing so under statutory authority; and
- (b) money held by national or county government entities in trust for third parties and any money that can generate liability for the Government;

- (b) inserting the following new paragraph immediately after paragraph (c)—

- (d) by inserting the following new definitions in their proper alphabetical sequence—

“Consolidated Fund” means the Fund established under Article 206(1) of the Constitution; and

“County Revenue Fund” means the Fund established under Article 207(1) of the Constitution in respect of each County.

(Chairperson, Departmental Committee on Finance & National Planning)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 2 as amended – agreed to.

Title – agreed to.

Clause 1 – agreed to.

Bill to be reported with amendments

14. **HOUSE RESUMED** - the Fourth Chairperson in the Chair

The Public Finance Management (Amendment) Bill (National Assembly Bill No. 51 of 2017)

Bill reported with amendments.

Motion made and Question proposed –

THAT, the House do agree with the Committee in the said report.
(The Leader of the Majority Party)

Amendment proposed –

THAT, the Motion for agreement with the Report of the Committee of the Whole House be amended by inserting the words “subject to Recommittal of Clauses 8 and 36.
(Chairperson, Departmental Committee on Finance & National Planning)

Debate arising;

Question deferred to another day.

15. **THE COMPETITION (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 49 OF 2019)**

Motion made and question proposed;

THAT, the Competition (Amendment) Bill (National Assembly Bill No. 49 of 2019) be read a Second Time.
(Leader of the Majority Party)

Debate arising;

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

16. **HOUSE ROSE** - at Seven o'clock

M E M O R A N D U M

The Speaker will take the Chair on
Wednesday, November 20, 2019 at 9.30 a.m.

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