

**OFFICE OF THE CLERK OF THE  
NATIONAL ASSEMBLY**

**M E M O**

**TO : All Members of the National Assembly**

**FROM : Clerk of the National Assembly**

**DATE : July 1, 2020**

**REF : NA/4/2020/014**

**SUBJECT : REFERRAL BY H.E. THE PRESIDENT OF THE PUBLIC  
FINANCE MANAGEMENT (AMENDMENT) BILL (NATIONAL  
ASSEMBLY BILL NO.2 OF 2020)**

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Honourable Members, attached herewith, please find a *Notification* from the Speaker of the National Assembly conveying a *Message* from H.E. the President regarding the Public Finance Management (Amendment) Bill (National Assembly Bill No. 2 of 2020).



**MICHAEL SIALAI, EBS**

Copy to: The Speaker of the National Assembly  
Main Parliament Buildings  
**NAIROBI**





**REPUBLIC OF KENYA**  
**TWELFTH PARLIAMENT - (FOURTH SESSION)**

**THE NATIONAL ASSEMBLY**  
**NOTIFICATION FROM THE SPEAKER**  
*(No. 3 of 2020)*

**SUBJECT: REFERRAL BY H.E. THE PRESIDENT OF THE PUBLIC  
FINANCE MANAGEMENT (AMENDMENT) BILL (NATIONAL  
ASSEMBLY BILL NO.2 OF 2020)**

**WHEREAS** Standing Order 42(2) of the National Assembly Standing Orders requires the Speaker to cause the transmission of any Message received from the President at a time when the House is not in Session to every Member and later report such Message to the House at its next sitting;

**IT IS NOTIFIED** to all Members of the National Assembly that, on Wednesday, 1<sup>st</sup> July, 2020 the Speaker received a Message from the President regarding its referral of the Public Finance Management Bill (National Assembly Bill No. 2 of 2020) to the National Assembly as provided for under Article 115 of the Constitution.

**IT IS FURTHER NOTIFIED THAT** the National Assembly considered and **passed** the said Bill, on Tuesday, 6<sup>th</sup> May, 2020 **with amendments**.

**NOW THEREFORE,** in keeping with the provisions of the Standing Order 42(2)-

- (a) Upon resumption, I shall convey the message from the H.E. the President to the assembled House so as to cause the commencement of its consideration as contemplated under Article 115 of the Constitution and Standing Order 42(3); and,
- (b) The Clerk is hereby required to transmit this notification to all Members of the National Assembly.

  
**THE HON. JUSTIN B.N. MUTURI, EGH, MP**  
**SPEAKER OF THE NATIONAL ASSEMBLY**

July 1, 2020







## **THE CONSTITUTION OF KENYA**

### **REFUSAL TO ASSENT TO THE PUBLIC FINANCE MANAGEMENT (AMENDMENT) BILL, 2020**

#### **MEMORANDUM**

By His Excellency the Honourable  
Uhuru Kenyatta, President and  
Commander-in-Chief of the Kenya  
Defence Forces.

Submitted to the Speaker of the National  
Assembly.

**WHEREAS** a Bill entitled "A Bill for An Act of  
Parliament to amend the Public Finance Management  
Act, 2012", the short title of which is "The Public  
Finance Management (Amendment) Bill, 2020", was  
passed by the National Assembly on the 6<sup>th</sup> May,  
2020;

**AND WHEREAS** the Public Finance Management  
(Amendment) Bill, 2020, was presented to me for



assent in accordance with the provisions of the Constitution, on the 28<sup>th</sup> May, 2020;

**NOW THEREFORE**, in exercise of the powers conferred on me by Article 115 (1) (b) of the Constitution, I refuse to assent to the Public Finance Management (Amendment) Bill, 2020, for the reasons set out hereunder:

## **CLAUSE 2**

Clause 2 of the Bill seeks to amend section 24 of the Act by inserting the following new subsection—

**(2A) Notwithstanding the provisions of subsection (1), the Parliamentary Service Commission may, with the approval of the National Assembly, establish any other fund for the purpose of parliament or a House of Parliament.**

Section 24 (1) of the Public Finance Management Act, 2012, establishes a Parliamentary Fund, while section 24

(4) empowers the Cabinet Secretary for the National Treasury to establish public funds with the approval of the National Assembly. The proposed subsection (2A) shall lead duplication of Funds for Parliament since one has already been established. Furthermore, the proposed amendment, if enacted in its current form, shall lead to the duplication of roles with respect to the creation of public Funds. This shall have an adverse impact on the principle of separation of powers between the Executive and the Legislature regarding their respective roles in the management of public monies.

**RECOMMENDATION:**

**For the foregoing reasons, I recommend that the Bill be amended in clause 2 by deleting proposed section 2A and substituting therefor the following new section—**

**(2A) Notwithstanding the provisions of subsection (1), the Parliamentary Service Commission may, with the approval of the**

**National Assembly, establish the following public funds—**

- (a) Parliamentary Mortgage (Members) Scheme Fund;**
- (b) Parliamentary Mortgage (Staff) Scheme Fund;**
- (c) Parliamentary Car Loan (Members) scheme Fund;**
- (d) Parliamentary Car Loan (Staff) Scheme Fund; and**
- (e) Parliamentary Catering Fund,**

**for purposes of Parliament or a House of Parliament.**

Dated the 11<sup>th</sup> 9 June, 2020.

A handwritten signature in black ink, appearing to be 'Uhuru Kenyatta', written in a cursive style.

**UHURU KENYATTA,  
President.**