

**SPECIAL ISSUE**

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**REPUBLIC OF KENYA**

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**KENYA GAZETTE SUPPLEMENT**

**NATIONAL ASSEMBLY BILLS, 2022**

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**NAIROBI, 28th October, 2022**

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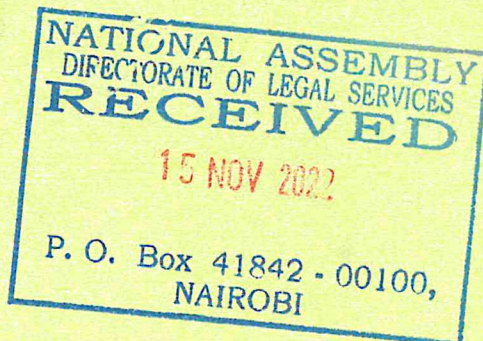
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THE NATIONAL ASSEMBLY



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भारत का राष्ट्रीय सभा

राष्ट्रीय सभा का अधिनियम, 1952

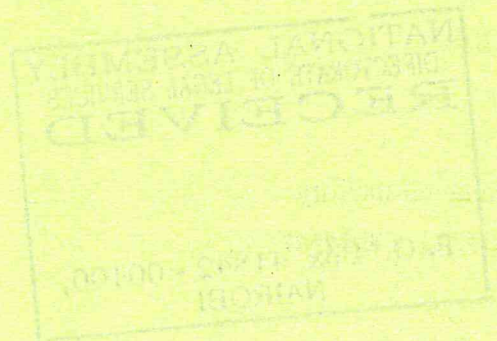
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**SCHEDULE—CONDUCT OF BUSINESS AND  
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## THE EQUALISATION FUND BILL, 2022

### A Bill for

**AN ACT of Parliament to operationalise Article 204 of the Constitution; to establish structures of directly administering the Equalisation Fund and for connected purposes**

**ENACTED** by Parliament of the Republic of Kenya as follows—

### PART I—PRELIMINARY

1. This Act may be cited as the Equalisation Fund Act, 2022. Short title.

2. In this Act, unless the context unless the context otherwise requires— Interpretation.

“Board” means the Equalisation Fund Board established by section 6 of this Act;

“Chairperson” means the Chairperson of the Board appointed under section 7 of this Act;

“Cabinet Secretary” means the Cabinet Secretary responsible for the National Treasury;

“Fund” means the Equalisation Fund established under Article 204 of the Constitution;

“Local Committee” means a Local Equalisation Fund Committee established by section 20 of the Act;

“marginalised community” means—

- (a) a community that, because of its relatively small population or for any other reason, has been unable to fully participate in the integrated social and economic life of Kenya as a whole;
- (b) a traditional community that, out of a need or desire to preserve its unique culture and identity from assimilation, has remained outside the integrated social and economic life of Kenya as a whole;
- (c) an indigenous community that has retained and maintained a traditional lifestyle and livelihood based on a hunter or gatherer economy; or

(d) pastoral persons and communities, whether they are—

(i) nomadic; or

(ii) a settled community that, because of its relative geographic isolation, has experienced only marginal participation in the integrated social and economic life of Kenya as a whole; and

“marginalised area” means a geographical area where a marginalised community exists as determined by the Commission on Revenue Allocation in accordance with Article 216(4) of the Constitution.

**3. The purpose and object of this Act is to—**

Purpose and  
object of the Act.

(a) provide a framework for the direct administration and management of the Fund;

(b) establish an Equalization Fund Board responsible for administering and managing the Fund; and

(c) establish structures and mechanisms of implementing the Fund.

**4. Pursuant to Article 204(3)(b) of the Constitution, this Act shall apply to the direct use of the Equalisation Fund to provide basic services including water, roads, health facilities and electricity to marginalized areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as possible.**

Application.

## **PART II—THE EQUALISATION FUND**

**5. (1) The Equalisation Fund shall comprise—**

Monies of the  
Fund.

(a) one half percent of all revenue collected by the national government each year calculated on the basis of the most recent audited accounts of revenue received, as approved by the National Assembly;

(b) income generated from proceeds of the Fund; and

(c) the cumulative amount of national revenue from previous years not spent.

(2) All receipts, savings and accruals to the Fund and the balance of the Fund at the end of each financial year shall be retained in the account of the Fund.

### **PART III—THE EQUALISATION FUND BOARD**

**6. (1)** There is established a Board to be known as the Equalisation Fund Board.

Establishment of  
the Board.

(2) The Board is a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of—

- (a) suing and being sued;
- (b) taking, purchasing or otherwise acquiring, holding, or disposing of movable and immovable property;
- (c) entering into contracts; and
- (d) doing or performing all other acts for the proper performance of its functions under this Act which may lawfully be done or performed by a body corporate.

**7. (1)** The Board shall comprise—

Membership of  
the Board.

- (a) a Chairperson appointed by the President with the approval of the National Assembly;
- (b) the Principal Secretary in the Ministry for the time being responsible for matters relating to water or a person designated in writing by the Principal Secretary;
- (c) the Principal Secretary in the Ministry for the time being responsible for matters relating to roads or a person designated in writing by the Principal Secretary;
- (d) the Principal Secretary in the Ministry for the time being responsible for matters relating to health or a person designated in writing by the Principal Secretary;
- (e) the Principal Secretary in the Ministry for the time being responsible for matters relating to National Treasury or a person designated in writing by the Principal Secretary;

- (f) the Principal Secretary in the Ministry for the time being responsible for Arid and Semi-Arid Lands or a person designated in writing by the Principal Secretary;
- (g) four persons appointed by the Cabinet Secretary for the time being responsible for the National Treasury to represent marginalized communities;
- (h) the Chief Executive Officer who shall be an *ex-officio* member and secretary to the Board.

(2) Where there is a tie in the voting of the Board, the Chairperson shall have a casting vote.

(3) In appointing the members of the Board under subsection (1)(g), the Cabinet Secretary shall take into consideration gender balance and diversity in qualifications of persons being appointed.

(4) A person shall not be appointed as a member of the Board if such a person—

- (a) has been convicted of an offence by a court of competent jurisdiction and sentenced to imprisonment for a term exceeding six months;
- (b) has been adjudged bankrupt or has entered into a composition, scheme or arrangement with creditors; or
- (c) is disqualified under the provisions of any other written law from appointment.

(5) A member of the Board other than an *ex-officio* member, may—

- (a) resign from office by notice in writing to the chairperson;
- (b) be removed from office if the member—
  - (i) has been absent from four consecutive meetings of the Board without the permission of the chairperson;
  - (ii) is adjudged bankrupt or enters into a composition scheme or arrangement with the creditors;



- (iii) is convicted of an offence involving fraud;
- (iv) is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding one hundred thousand shillings; or
- (v) is incapable of performing his or her duties on account of physical or mental infirmity.

**8.** A person shall not be appointed as a chairperson or a member of the Board unless that person—

Qualifications of members of the Board.

- (a) is a citizen of Kenya;
- (b) possesses a degree from a university recognized in Kenya;
- (c) has knowledge and experience of not less than ten years in—
  - (i) economic development and planning;
  - (ii) finance;
  - (iii) law;
  - (iv) accounting;
  - (v) engineering; or
  - (vi) social sciences; and
- (d) meets the requirements of Chapter Six of the Constitution.

**9.** The Chairperson and members of the Board shall hold office for a term of three years and shall be eligible for reappointment for one further and final term of three years.

Term of office.

**10.** The Board shall—

Functions of the Board.

- (a) manage the Fund;
- (b) consider and approve project proposals in accordance with the Act;
- (c) disburse monies relating to approved projects from the Fund;
- (d) monitor and evaluate the usage of monies disbursed from the Fund;

- (e) receive and address complaints and disputes relating to the Fund.

**11.** (1) The Board shall have all powers necessary for the proper performance of its functions under this Act.

Powers of the Board.

(2) Without prejudice to the generality of subsection (1), the Board shall have power to—

- (a) manage, control and administer its assets in such manner and for such purposes as best promote the purpose for which it is established;
- (b) determine the provisions to be made for capital and recurrent expenditure and for the reserves of the Board;
- (c) receive any grants, gifts, donations or endowments and make legitimate disbursements therefrom;
- (d) enter into association with such bodies or organizations within or outside Kenya as it may consider desirable or appropriate and in furtherance of the purposes for which it is established;
- (e) open such bank accounts for its funds as may be necessary; and
- (f) undertake any activity necessary for the fulfilment of any of its functions.

**12.** The conduct and regulation of the business and affairs of the Board shall be as provided in the Schedule, but subject thereto the Board may regulate its own procedure.

Conduct of business and affairs of the Board.

**13.** The members of the Board shall be paid such remuneration, fees or allowances as the Cabinet Secretary may determine in consultation with the Salaries and Remuneration Commission.

Remuneration of Board Members.

**14.** The Board may, by resolution either generally or in any particular case, delegate to any of its committees or to any member, officer, employee or agent of the Board, the exercise of any of the powers or the performance of any of the functions or duties of the Board under this Act or under any other written law.

Delegation by the Board.

**15.** The Board may co-opt such experts as may be necessary to assist it in the discharge of its functions.

Board may co-opt experts.

**16. (1)** There shall be a Chief Executive Officer of the Board who shall be appointed by the Board through a competitive process on such terms and conditions of employment as the Board may determine.

Chief Executive Officer.

(2) The Chief Executive Officer shall hold office for a term of three years and shall be eligible for re-appointment for one further and final term of three years.

(3) The Chief Executive Officer shall be the secretary to the Board and shall, subject to the directions of the Board, be responsible for—

- (a) the day to day management of the Board; and
- (b) the affairs and transactions of the Board, the exercise, discharge and performance of its objectives, functions and duties.

**17.** The Board may appoint such officers and other staff as are necessary for the proper and efficient discharge of its functions under this Act, upon such terms and conditions of service as the Board may determine in consultation with the Salaries and Remuneration Commission.

Staff of the Board.

**18. (1)** The common seal of the Board shall be kept in the custody of the Chief Executive Officer or of such other person as the Board may direct, and shall not be used except upon the order of the Board.

Common seal.

(2) The common seal of the Board, when affixed to a document and duly authenticated, shall be judicially and officially noticed, and unless the contrary is proved, any necessary order or authorization by the Board under this section shall be presumed to have been duly given.

(3) The common seal of the Board shall be authenticated by the signature of the chairperson of the Board and the Chief Executive Officer.

(4) The Board shall, in the absence of either the chairperson or the Chief Executive Officer, in any particular matter, nominate one member of the Board to authenticate the seal of the Board on behalf of either the chairperson or the Chief Executive Officer.

**19. (1)** No matter or thing done by a member or staff of the Board shall, if the matter or thing is done bona fide for executing the functions, powers and duties of the Board

Protection from personal liability.

under this Act, render the member personally liable to any action, claim or demand whatsoever.

(2) The provisions of subsection (1) shall not relieve the Board of liability to pay compensation or damages to any person for any injury to him or her, his or her property or any of his or her interests caused by the exercise of any power conferred by this Act or any other written law or by the failure, wholly or partially, of any works.

#### PART IV—LOCAL COMMITTEES

**20.** (1) There is established a Local Equalisation Fund Committee for every Constituency in a marginalised area as determined by the Commission on Revenue Allocation pursuant to Article 216(4) of the Constitution.

Local  
Committees.

(2) A Local Committee shall comprise—

- (a) the national government official responsible for co-ordination of national government functions;
- (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- (c) two women nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- (d) one person with disability nominated by a registered group representing persons with disabilities in the area in accordance with subsection (3);
- (e) two persons nominated by the relevant constituency office established under Regulations made pursuant to the Parliamentary Service Act, 2000;
- (f) an officer of the Board seconded to the Committee by the Board who shall be an *ex officio* member; and
- (g) one member co-opted by the Board in accordance with Regulations made by the Board.

No. 10 of 2000.

(3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall

have such qualifications as the Board may, by Regulations, prescribe.

(4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.

(5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.

(6) The quorum of a Local Committee shall be one half of the total membership.

(7) The term of office of the members of a Local Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Local Committee in the manner provided for in the Act.

(8) Whenever a vacancy occurs in the Local Committee, the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of thirty days.

(9) A Local Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

(10) A member of a Local Committee may be removed from office on any one or more of the following grounds—

- (a) lack of integrity;
- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) promoting unethical practice;
- (f) causing disharmony within the committee;
- (g) physical or mental infirmity.

(11) A decision to remove a member under subsection (10) shall be made through a resolution of at least five

members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

(12) A vacancy arising as a result of the removal of a member under subsection (10) shall be filled in the manner set out in subsection (8) and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

**21. (1)** A person may present a petition to the Board for the dissolution of a Local Committee setting out the alleged facts constituting one or more of the following grounds for dissolution—

Dissolution of  
Local Committee.

- (a) serious violation of the Constitution or any other law including a contravention of Chapter Six;
- (b) gross misconduct, whether in performance of the members' or office holders' functions or otherwise;
- (c) incompetence; or
- (d) any other cause as may be deemed justifiable.

(2) Upon receiving a petition under subsection (1), the Board may suspend the Local Committee pending the outcome of the complaint.

(3) The Board shall consider the petition, hear all or some of the members of the committee and where it is satisfied that the petition discloses sufficient ground for dissolution, dissolve the Local Committee.

(4) Vacancies arising from the removal of all the members of a Local Committee under subsection (3) shall be filled in the manner set out in section 20(2) and minutes of the meeting shall indicate the fact of the removal or appointment of members.

**22.** A Local Committee may engage such staff with the approval of the Board as may be necessary for execution of its functions.

Staff of Local  
Committee.

#### **PART V—IDENTIFICATION AND CONSIDERATION OF PROJECTS**

**23. (1)** A Local Committee shall identify the projects to be undertaken in its Constituency.

Identification of  
projects.

(2) Despite subsection (1), the Committee shall before identifying the projects, receive presentations from marginalized communities within the Constituency.

**24.** A Local Committee shall submit its proposed projects to the Board in the prescribed format within one month of the enactment of the Equalisation Fund Appropriation Bill by the National Assembly.

Submission of project proposals.

**25.** (1) The Board shall scrutinize and may approve a project proposed by a Local Committee for funding.

Consideration of proposed projects.

(2) Where the Board does not approve a project for funding, it shall refer the matter to the Committee giving written reasons for the disapproval.

**26.** The Board shall submit a quarterly report to the National Assembly detailing a summary of—

Reports to the National Assembly.

- (a) the project proposals received from the Local Committees and their approval status;
- (b) the status of disbursements of funds to the Local Committees; and
- (c) status of implementation of projects.

**27.** (1) A project management committee appointed in accordance with the regulations made under section 39, with the assistance of the relevant government department, shall implement projects under this Act.

Implementation of projects.

(2) All payments relating to projects under this Act shall be processed in accordance with government regulations for the time being in force.

**28.** All works and services relating to projects under this Act shall be procured in accordance with the provisions of the Public Procurement and Asset Disposal Act, 2015.

Procurement of services and works.

No. 33 of 2015.

## **PART VI—FINANCIAL PROVISIONS**

**29.** (1) The funds of the Board shall consist of—

Funds of the Board.

- (a) such sums as may be appropriated by the National Assembly;
- (b) grants, gifts or donations as may be given to the Board; and

(c) monies from any other source provided for the Board.

(2) There shall be paid out of the funds of the Board any expenditure incurred by the Board and the Local Committees in exercise of powers or the performance of functions under this Act.

**30.** The Financial year of the Board shall be the period of twelve months ending on the thirtieth day of June in each year.

Financial year.

**31.** (1) At least three months before the commencement of each financial year, the Board shall cause to be prepared estimates of the revenue and expenditure of the Board of that year.

Annual estimates.

(2) The annual estimates shall make provision for all estimated expenditure of the Board for the financial year and in particular, shall provide—

- (a) the payment of the salaries, allowances and other charges in respect of members of the Board and staff of the Board; and
- (b) the payment of the operation costs of the Board.

(3) The annual estimates shall be approved by the Board before the commencement of the financial year to which they relate and shall be submitted to the Cabinet Secretary for approval and after the Cabinet Secretary's approval, the Board shall not increase the annual estimates without the consent of the Cabinet Secretary.

(4) No expenditure shall be incurred for the purposes of the Board except in accordance with the annual estimates approved under subsection (3), or in pursuance of an authorization of the Board given with prior written approval of the Cabinet Secretary.

(5) The Board shall set aside a sum not exceeding five per centum of the total allocation for the Fund to cater for the administration expenses of the Board.

(6) The Board shall ensure that a sum not exceeding five per centum of the total allocation for a project shall be utilised for the administration expenses of the project.

**32.** (1) The Board shall cause to be kept all proper books and records of accounts of the income, expenditure and assets of the Board.

Accounts and audit.



(2) Within a period of three months after the end of each financial year, the Board shall submit to the Auditor-General the accounts of the Board together with—

- (a) a statement of the income and expenditure of the Board during that year; and
- (b) a balance sheet of the Board on the last day of that year.

(3) The accounts of the Board shall be audited and reported upon in accordance with the Public Audit Act, 2015.

No. 34 of 2015.

**33.** (1) The Board shall, within three months after the end of each financial year, prepare and submit to the Cabinet Secretary a report of the operations of Board for the immediate preceding year.

Annual report.

(2) The Cabinet Secretary shall lay the annual report before the National Assembly within three months of the day the National Assembly next sits after the report is presented to the Cabinet Secretary.

#### **PART VII—WITHDRAWALS FROM THE FUND**

**34.** (1) The Board shall open and maintain a bank account of the Fund at the Central Bank of Kenya into which all monies of the Fund shall be paid.

Bank account of the Fund.

(2) The Chief Executive Officer and three other persons appointed by the Board from amongst its members shall be the signatories to the account of the Fund.

(3) The signature of the Chief Executive Officer shall be mandatory on all payment cheques or instruments intended for actual release of money from the Fund.

**35.** (1) Where a withdrawal from the Fund is authorized under an Act of Parliament that approves the appropriation of money, the Board shall make requisition for the withdrawal and submit it to the Controller of Budget for authorization.

Withdrawals from the Fund.

(2) The authorization by the Controller of Budget of a withdrawal from the Fund together with written instructions from the Board requesting for the withdrawal, shall be sufficient authority for the Central Bank of Kenya to pay amounts from the Equalization Fund in accordance with the authorization and instructions given.

(3) All withdrawals made from the Fund shall be deposited into the respective accounts of Local Committees for purposes of funding projects approved by the Board.

### PART VIII—MISCELLANEOUS

**36.** At the winding up of the Fund pursuant to Article 204(6) or 204(7) of the Constitution—

Winding up of the Fund.

- (a) the cash balances of the Fund shall be transferred to the National Exchequer Account; and
- (b) other assets of the Fund shall be transferred to the State Department responsible for matters relating to finance.

**37.** (1) The provisions of this Act shall be complimentary to any other projects undertaken by the national government and nothing in this Act shall be taken or interpreted to mean that an area may be excluded from any or other projects by the national government.

Provisions in the Act complimentary.

(2) For the avoidance of doubt, national government allocations shall continue alongside the projects funded under this Act.

### PART IX—OFFENCES AND PENALTIES

**38.** A person who misappropriates any funds or assets from the Fund, or assists or causes any person to misappropriate or apply the funds otherwise than in the manner provided in this Act, commits an offence and shall, upon conviction, be liable to imprisonment for a term not exceeding ten years or to a fine not exceeding four million shillings, or to both.

Misappropriation of the Fund.

### PART X—PROVISIONS ON DELEGATED POWERS

**39.** (1) The Cabinet Secretary may make regulations for the better carrying into effect the provisions of this Act.

Regulations.

(2) Without prejudice to the generality of subsection (1), the Cabinet Secretary may make regulations prescribing—

- (a) the manner of selection of, and the qualification of members of a Local Committee;
- (b) the procedure for appointment and removal of members of a project management committee; and
- (c) the forms to be used under this Act.

(3) For the purposes of Article 94 (6) of the Constitution—

- (a) the purpose and objective of delegation under this section is to enable the Cabinet Secretary to make regulations to provide for the better carrying into effect of the provisions of this Act and to enable the Board to discharge its functions more effectively;
- (b) the authority of the Cabinet Secretary to make regulations under this Act will be limited to bringing into effect the provisions of this Act and to fulfil 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, 2013.

Cap 2,  
No. 23 of 2013

#### **PART XI—CONSEQUENTIAL AMENDMENTS**

40. The Public Finance Management Act, 2012 is amended by repealing section 18.

Amendment of  
No. 18 of 2012.

41. The Guidelines on the administration of the Equalization Fund established under Article 204 of the Constitution made under the Public Finance Management Act, 2012 are revoked.

Revocation of  
Guidelines.  
No. 18 of 2012.

**SCHEDULE****CONDUCT OF BUSINESS AND AFFAIRS OF THE BOARD (s. 12)**

1. (1) The Board shall meet not less than four times in every financial year and not more than four months shall elapse between the date of the next meeting.

Meetings of the Board

(2) Unless three quarters of all the members of the Board otherwise agree, at least fourteen days written notice of every meeting of the Board shall be given to every member of the Board.

(3) The chairperson shall preside at every meeting of the Board at which he or she is present but in his or her absence, the members present shall elect one of their number who shall, with respect to that meeting and the business transacted thereat, have all the powers of the chairperson.

(4) Unless a unanimous decision is reached, a decision on any matter before the Board shall be reached by voting through simple majority.

(5) Subject to there being a quorum, the proceedings of the Board shall not be invalid by reason only of a vacancy among the members.

(6) Subject to the provisions of this Schedule, the Board may determine its own procedure and the procedure for any committee of the Board and for the attendance of any other persons at its meetings.

2. (1) If a member is directly or indirectly interested in any contract, proposed contract or other matter before the Board and is present at a meeting of the Board at which the contract, proposed contract or other matter is the subject of consideration, he or she shall, at the meeting and as soon as practicable after the commencement thereof, disclose the fact and shall not take part in the consideration or discussion with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter.

Disclosure of Interest.

(2) Despite subparagraph (1), if the majority of the members present are of the opinion that the experience or expertise of that member is vital to the deliberations of the

meeting, the Board may permit the member to participate in the deliberations subject to such restrictions as it may impose.

(3) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.

**3. The Board shall cause minutes of all proceedings of meetings of the Board to be entered in books for that purpose.** Minutes.

## **MEMORANDUM OF OBJECTS AND REASONS**

### **Statement of objects and reasons**

The principal object of this Bill is to operationalize the Equalisation Fund as established under Article 204 of the Constitution. The Bill proposes to establish a Board to administer the Fund in instances where the Fund is directly used for the provision of basic services including water, roads, health, facilities and electricity to marginalised areas to bring the quality of the provisions of such services as nearly as possible to the same quality enjoyed by other areas in the Country. The Bill further proposes the establishment of Local Equalisation Fund Committees in each ward in marginalised area as determined by the Commission on Revenue Allocation in their report prepared pursuant to Article 216 of the Constitution. The Local Committees are tasked with identifying projects for funding in consultation with local communities with the final decision being made by the Board and implementation done by a project implementation committee.

Enactment of the Bill will reduce the current bureaucratic red-tape that exists with regard to the administration of the Fund currently domiciled in the National Treasury. The framers of the Constitution conceptualized the Fund as a means of enabling marginalised areas to “catch-up” with the rest of the country in terms of access to basic needs. This vision is yet to be achieved eight years after the promulgation of the Constitution. The Bill seeks to propose a model of administering the Fund which will accelerate its roll-out for the benefit of citizens who continue to suffer on the fringes.

**Part I (Clauses 1-4)** of the Bill contains preliminary provisions.

**Part II (Clause 5)** of the Bill outlines the sources of the Fund including monies unspent by the government or retained in the Fund.

**Part III (Clauses 6-19)** of the Bill establishes the Equalisation Fund Board as a body corporate with perpetual succession. Under Clause 8 the Board is to comprise nine (9) members with a Chairperson appointed from a marginalised community and vetted by the National Assembly. Clause 9 limits all members of the Board to a single six (6) year term of office.

**Part IV (Clauses 20-22)** of the Bill provides for the establishment of Local Equalisation Fund Committees in each ward of a marginalised area to assist the Board in identification and administration of projects funded by the Fund. The Committees are mandated to employ such staff as may be required in the exercise of their mandate.

**Part V (Clauses 23-28)** of the Bill contains provisions on the identification and consideration of proposed projects proposed for funding.

**Part VI (Clauses 29-33)** of the Bill contains financial provisions.

**Part VII (Clauses 34-35)** of the Bill contains provisions on withdrawals from the Fund.

**Part VIII (Clauses 36-37)** of the Bill contains miscellaneous provisions.

**Part IX (Clauses 38)** of the Bill contains provisions on offences and penalties.

**Part X (Clauses 39)** of the Bill contains provisions on delegated powers.

**Part XI (Clauses 40-41)** of the Bill contains consequential amendments. The Bill proposes the repeal of section 18 of the Public Finance Management Act on the administration of the Equalization Fund and the Guidelines made under the Act in relation to the Fund.

#### **Statement on the delegation of legislative powers and limitation of fundamental rights and freedoms**

This Bill delegates legislative powers to the Cabinet Secretary responsible for the National Treasury to make regulations for the better carrying into effect of its provisions once enacted. The Bill does it limit any fundamental rights and freedoms.

#### **Statement of how the Bill concerns county governments**

The Bill does not affect the functions of County governments as set out in the Fourth Schedule to the Constitution and is therefore not a Bill concerning county governments.

#### **Statement as to whether the Bill is a money Bill within the meaning of Article 114 of the Constitution**

The enactment of this Bill shall occasion additional expenditure of public funds.

Dated the 27th October, 2022.

**KASSAIT KAMKET,**  
*Member of Parliament.*

