

SPECIAL ISSUE

Kenya Gazette Supplement No. 61 (Senate Bills No. 8)



REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

SENATE BILLS, 2026

NAIROBI, 16th March, 2026

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**THE COUNTY GOVERNMENTS ADDITIONAL
ALLOCATIONS BILL, 2026**

A Bill for

AN ACT of Parliament to provide for the additional allocations to county governments for the 2026/2027 financial year; the responsibilities of National Government and county governments pursuant to such allocation; and for connected purposes

ENACTED by Parliament of Kenya, as follows—

1. This Act may be cited as the County Governments Additional Allocations Act, 2026.

Short title.

2. In this Act —

Interpretation.

“Cabinet Secretary” means the Cabinet Secretary responsible for matters relating to finance;

“additional allocations” means additional resources allocated to county governments from the National Government’s share of revenue or in the form of loans and grants from development partners; and

“county executive committee member” means the county executive committee member in charge of matters relating to finance.

3. The object of this Act is to—

Object.

(a) provide, pursuant to Article 202(2) of the Constitution, for additional allocations for the financial year 2026/27;

(b) provide for additional allocations from proceeds of loans and grants from development partners; and

(c) facilitate the transfer of conditional and unconditional allocations made to counties under this Act from the Consolidated Fund to the respective County Revenue Funds and special purpose accounts.

4. (1) Additional allocations shall constitute funds agreed upon by the National Assembly and the Senate during the consideration of the Budget Policy Statement and shall comprise of—

Additional allocations to county governments

- (a) additional allocations from the National Government and development partners required for functions transferred to counties from the National Government pursuant to Article 187 of the Constitution;
- (b) additional allocations provided for under Article 202(2) of the Constitution; and
- (c) additional allocations in the form of loans and grants from development partners.

(2) Additional funds allocated under this section shall, except allocations under section 5(1)(a), be included in the respective county governments' appropriation bills.

(3) The National Treasury shall facilitate any agreement between a county government and a development partner and shall table the agreements in the National Assembly and the Senate before inclusion of the additional allocation in the Budget Policy Statement.

5. (1) Unconditional allocations to the respective county government from the national government for the financial year 2026/27 shall be as set out in the First Schedule, comprising—

Conditional allocations to county governments.

- (a) unconditional allocations being proceeds from court fines collected from the enforcement of county legislation as set out in Column B; and
- (b) unconditional allocations being proceeds from mineral royalties pursuant to section 183(5)(b) of the Mining Act, as set out in Column C.

Cap. 306

(2) Conditional allocations to each county government from the national government share of nationally raised revenue for the financial year 2026/27 shall be as set out in Column F of the Second Schedule, comprising —

- (a) conditional allocations for the Community Health Promoters (CHP) project as set out in Column B;
- (b) conditional allocations for the construction of county headquarters as set out in Column C;
- (c) conditional allocations for the County Aggregation and Industrial Parks (CAIP) programme as set out in Column D; and

Cap. 117A

(d) conditional allocations for the administration of the County Affordable Housing Committees under section 11(4)(c) of the Affordable Housing Act.

(3) Conditional allocations financed by proceeds of loans or grants from development partners to each county government for the financial year 2026/27 shall be as set out in Column Q of the Third Schedule comprising —

- (a) conditional allocations financed by proceeds from an IDA (World Bank) loan to finance the Kenya Informal Settlement Improvement Project (KISIP II) as set out in Column B;
- (b) conditional allocations financed by proceeds from an IDA (World Bank) loan to finance Building Resilient and Responsive Health Systems (BREHS) as set out in Column C;
- (c) conditional allocations financed by proceeds from a KfW (German Development Bank) loan for co- financing of FLLoCA – County Climate Resilience Investment (CCRI) Grant as set out in Column D;
- (d) conditional allocations financed by proceeds from an IDA (World Bank) loan for the FLLoCA -County Climate Resilience Investment (CCRI) Grant as set out in Column E;
- (e) conditional allocations financed by proceeds from an IDA (World Bank) loan for the Food Systems Resilience Project - FSRP) as set out in Column F;
- (f) conditional allocations financed by proceeds from an IDA (World Bank) Loan for the National Agricultural Value Chain Development Project (NAVCDP) as set out in Column G;
- (g) conditional allocations from an IDA (World Bank) loan to finance Water and Sanitation Development Project (WSDP) as set out in Column H;
- (h) conditional allocations financed by proceeds from an IDA (World Bank) Loan for the Kenya

Urban Support Project (KUSP) - Urban Institutional Grant (UIG) as set out in Column I;

- (i) conditional allocations financed by proceeds from an IDA (World Bank) Loan for the Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UDG) as set out in Column J;
- (j) Conditional allocations financed by proceeds from an International Fund for Agricultural Development (IFAD) loan for the Kenya Livestock Commercialization Project (KeLCoP) as set out in Column K;
- (k) conditional allocations financed by proceeds from a KfW (German Development Bank) Loan for the Drought Resilience Programme in Northern Kenya (DRPNK) as set out in Column L;
- (l) conditional allocations financed by proceeds from an International Fund for Agricultural Development (IFAD) loan for the Aquaculture Business Development Programme (ABDP) as set out in Column M;
- (m) conditional allocations financed by proceeds from an IDA (World Bank) loan for the Kenya Devolution Support Programme (KDSP) II Level I as set out in Column N;
- (n) conditional allocations financed by proceeds from an IDA (World Bank) loan for the Kenya Devolution Support Programme (KDSP) II Level II as set out in Column O; and
- (o) conditional allocations financed by proceeds from an IDA (World Bank) loan for the Kenya Water, Sanitation and Hygiene (K-Wash) Program as set out in Column P.

(4) Conditional allocations under subsection (3)(d) and (e) shall be allocated among county governments on the basis of the following criteria —

- (a) the accounting officer responsible for the conditional allocation shall in each eligible county government carry out or cause to be carried out, an

assessment to determine the eligible county governments' performance score for purposes of determining the performance of County Climate Resilience Investment (CCRI) grant allocation for the Financial Year 2026/27;

- (b) the first fifty percent of the total allocation shall be transferred on the basis of factors that reflect relative expenditure needs for climate action, including the variables of a fixed share at 33.3 percent, rural population at 30 percent, rural area at 13.3 percent, and poverty at 23.3 percent, whereby the weights are based on the formula for allocating the share of the national revenue among counties;
- (c) the second fifty percent of the total allocation shall be on the basis of the scores for the performance measures, weighted with the basic allocation; and
- (d) the Cabinet Secretary shall publish by notice in the *Kenya Gazette* the allocations determined in terms of paragraph (b).

(5) A county governments' allocation under subsection (2) shall be transferred to the respective County Revenue Fund in accordance with a payment schedule published in the *Kenya Gazette* by the Cabinet Secretary in accordance with section 17 of the Public Finance Management Act.

No. 18 of 2012.

(6) The county governments' allocations under subsections (1) and (2) shall, subject to subsection (7), be included in the budget estimates of the National Government and shall be submitted to Parliament for approval.

(7) Allocations shall not be included in the budget estimates under subsection (6) unless in the case of a loan or grant by a development partner, the Cabinet Secretary and the responsible development partner have agreed in writing that the funds shall be transferred to the county government.

6. The Cabinet Secretary shall publish, by the 15th day of each subsequent month, a monthly report on actual

Report on actual transfers.

transfers of all additional allocations to county governments disbursed pursuant to this Act.

7. Each county treasury shall reflect all transfers of conditional allocations by the National Government to the respective county government in its books of accounts.

Books of accounts to reflect national government transfers.

8. A county treasury shall, as part of its consolidated quarterly and annual reports required under the Public Finance Management Act, report on:

Reporting.

No. 18 of 2012.

- (a) actual transfers received by the county government from the National Government, up to the end of that quarter or year in the format prescribed by the Public Sector Accounting Standards Board or in the absence of a format prescribed by the Board, in the format prescribed by the National Treasury;
- (b) the actual expenditure by the county government of the allocations made under section 5(1), (2) and (3) and;
- (c) the extent of compliance with the provisions of this Act and with the conditions of allocations as set out in the intergovernmental agreement entered into by the national government, the development partner and the county government;
- (d) an explanation of any material problems in the expenditure of any allocations made under this Act or compliance with any conditions of allocations set out in an intergovernmental agreement; and
- (e) any other information that may be required by the relevant intergovernmental agreement.

FIRST SCHEDULE

Unconditional Allocations to County Governments from Court Fines and 20% Share of Mineral Royalties in the Financial Year 2026/27 (KSh.)					
No.	County	FY 2025/26	FY 2026/27		Total Unconditional Allocations
		Total unconditional Additional Allocations to County Governments	Allocations for Court Fines	Allocations for 20% Share of Mineral Royalties	
		Column A	Column B	Column C	Column D
1	Baringo	20,355	-	525,351	525,351
2	Bomet	-	49,000	-	49,000
3	Bungoma	-	35,000	-	35,000
4	Busia	-	5,000	-	5,000
5	Elgeyo/Marakwet	-	-	-	-
6	Embu	2,142	3,000	1,190,391	1,193,391
7	Garissa	844,692	-	472,147	472,147
8	Homa Bay	-	-	-	-
9	Isiolo	348,837	-	12,231	12,231
10	Kajiado	660,242,991	183,000	310,261,593	310,444,593
11	Kakamega	16,555	8,000	58	8,058
12	Kericho	-	10,782,328	1,293,209	12,075,537
13	Kiambu	14,244,964	2,444,183	23,906,202	26,350,385
14	Kilifi	950,062,290	337,549	240,807,157	241,144,706
15	Kirinyaga	100	-	1	1
16	Kisii	682,562	-	1,560,790	1,560,790
17	Kisumu	93,000	399,412	97,981,739	98,381,151
18	Kitui	435,841	100,000	2,249,027	2,349,027
19	Kwale	1,166,507,886	1,500	804,286,608	804,288,108
20	Laikipia	27,334	1,957,621	-	1,957,621
21	Lamu	-	-	-	-
22	Machakos	1,782,463	19,172,758	28,102,174	47,274,932
23	Makueni	99,857	6,000	33,463	39,463
24	Mandera	1,028	-	-	-
25	Marsabit	1,724,590	-	2,169,705	2,169,705
26	Meru	32,901	19,000	-	19,000
27	Migori	3,684,754	1,366,803	33,228,843	34,595,646
28	Mombasa	1,417,254	14,239,770	10,506,292	24,746,062
29	Murang'a	-	7,000	264,782	271,782
30	Nairobi	2,458,591	72,876,979	12,495,305	85,372,284
31	Nakuru	1,105,667	2,709,201	5,434,451	8,143,652
32	Nandi	55,110,901	5,465,792	121,480,248	126,946,040
33	Narok	27,206,336	4,000	4,050,802	4,054,802
34	Nyamira	-	141,143	-	141,143
35	Nyandarua	-	-	-	-

Unconditional Allocations to County Governments from Court Fines and 20% Share of Mineral Royalties in the Financial Year 2026/27 (KSh.)					
No.	County	FY 2025/26	FY 2026/27		
		<i>Total unconditional Additional Allocations to County Governments</i>	<i>Allocations for Court Fines</i>	<i>Allocations for 20% Share of Mineral Royalties</i>	<i>Total Unconditional Allocations</i>
		Column A	Column B	Column C	Column D
36	Nyeri	76,000	283,500	-	283,500
37	Samburu	905,744	-	375,689	375,689
38	Siaya	259,152	128,000	-	128,000
39	Taita/Taveta	51,756,326	1,608,239	21,728,740	23,336,979
40	Tana River	10,624	-	326,033	326,033
41	Tharaka-Nithi	43,000	-	29,426	29,426
42	Trans Nzoia	-	-	-	-
43	Turkana	141,279	25,000	4,710	29,710
44	Uasin Gishu	5,090,269	13,900,592	4,504,505	18,405,097
45	Vihiga	-	-	-	-
46	Wajir	4,493	-	-	-
47	West Pokot	1,650	-	103,847,148	103,847,148
	Total	2,946,442,428	148,259,370	1,833,128,821	1,981,388,191

SECOND SCHEDULE (S.6(1))

Conditional Additional Allocations to County Governments from National Government's Share of Revenue for the Financial Year 2026/27 (Ksh.)							
No.	COUNTY	FY 2025/26	FY 2026/27				
		Total Conditional Additional Allocations	Community Health Promoters (CHPs) Programme	Supplement for Construction of County Headquarters	County Aggregation and Industrial Parks (CAIPs) Programme	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Additional Allocations
		Column A	Column B	Column C	Column D	Column E	Column F
1	Baringo	335,060,940	63,810,000	-	-	7,787,057	71,597,057
2	Bomet	97,319,315	74,070,000	-	250,000,000	7,787,057	331,857,057
3	Bungoma	149,241,681	107,400,000	-	-	7,787,057	115,187,057
4	Busia	92,069,249	66,390,000	-	-	7,787,057	74,177,057
5	Elgeyo/Marakwet	54,872,639	37,200,000	-	250,000,000	7,787,057	294,987,057
6	Embu	95,088,853	60,300,000	-	-	7,787,057	68,087,057
7	Garissa	109,488,961	74,520,000	-	-	7,787,057	82,307,057
8	Homa Bay	117,026,873	88,620,000	-	-	7,787,057	96,407,057
9	Isiolo	94,765,505	21,630,000	158,780,000	250,000,000	7,787,057	438,197,057
10	Kajiado	345,552,740	50,070,000	-	-	7,787,057	57,857,057
11	Kakamega	224,017,599	127,500,000	-	-	7,787,057	135,287,057
12	Kericho	341,117,478	45,690,000	-	-	7,787,057	53,477,057
13	Kiambu	349,993,245	94,680,000	-	-	7,787,057	102,467,057
14	Kilifi	426,369,365	116,100,000	-	-	7,787,057	123,887,057
15	Kirinyaga	58,037,438	36,660,000	-	-	7,787,057	44,447,057
16	Kisii	290,510,642	88,200,000	-	-	7,787,057	95,987,057
17	Kisumu	167,327,249	89,940,000	-	250,000,000	7,787,057	347,727,057
18	Kitui	369,844,316	74,100,000	-	-	7,787,057	81,887,057
19	Kwale	158,163,903	52,140,000	-	-	7,787,057	59,927,057
20	Laikipia	317,672,596	25,230,000	-	-	7,787,057	33,017,057
21	Lamu	147,809,452	14,520,000	71,630,000	250,000,000	7,787,057	343,937,057
22	Machakos	143,883,915	83,250,000	-	-	7,787,057	91,037,057
23	Makueni	146,255,895	113,700,000	-	250,000,000	7,787,057	371,487,057
24	Mandera	40,336,781	18,540,000	-	250,000,000	7,787,057	276,327,057
25	Marsabit	327,106,385	60,090,000	-	-	7,787,057	67,877,057
26	Meru	157,383,407	111,480,000	-	-	7,787,057	119,267,057
27	Migori	118,055,437	88,380,000	-	-	7,787,057	96,167,057
28	Mombasa	315,937,957	71,610,000	-	-	7,787,057	79,397,057
29	Murang'a	238,399,654	46,050,000	-	-	7,787,057	53,837,057

Conditional Additional Allocations to County Governments from National Government's Share of Revenue for the Financial Year 2026/27 (Ksh.)							
No.	COUNTY	FY 2025/26	FY 2026/27				
		Total Conditional Additional Allocations	Community Health Promoters (CHPs) Programme	Supplement for Construction of County Headquarters	County Aggregation and Industrial Parks (CAIPs) Programme	Allocations for 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Additional Allocations
		Column A	Column B	Column C	Column D	Column E	Column F
30	Nairobi	338,266,271	224,010,000	-	250,000,000	7,787,057	481,797,057
31	Nakuru	325,150,304	99,390,000	-	-	7,787,057	107,177,057
32	Nandi	258,780,824	96,660,000	-	-	7,787,057	104,447,057
33	Narok	323,284,136	49,800,000	-	-	7,787,057	57,587,057
34	Nyamira	199,705,754	44,370,000	-	-	7,787,057	52,157,057
35	Nyandarua	429,641,603	41,610,000	166,750,000	-	7,787,057	216,147,057
36	Nyeri	381,409,948	74,250,000	-	-	7,787,057	82,037,057
37	Samburu	61,207,420	46,140,000	-	250,000,000	7,787,057	303,927,057
38	Siaya	221,889,863	63,810,000	-	-	7,787,057	71,597,057
39	Taita/ Taveta	75,649,533	41,070,000	-	250,000,000	7,787,057	298,857,057
40	Tana River	407,859,679	28,890,000	95,340,000	-	7,787,057	132,017,057
41	Tharaka- Nithi	94,535,103	37,950,000	30,510,000	250,000,000	7,787,057	326,247,057
42	Trans Nzoia	249,182,720	67,200,000	-	-	7,787,057	74,987,057
43	Turkana	101,224,140	74,250,000	-	250,000,000	7,787,057	332,037,057
44	Uasin Gishu	73,568,093	61,980,000	-	-	7,787,057	69,767,057
45	Vihiga	310,411,734	43,380,000	-	-	7,787,057	51,167,057
46	Wajir	210,562,165	60,810,000	-	-	7,787,057	68,597,057
47	West Pokot	93,411,216	77,490,000	-	250,000,000	7,787,057	335,277,057
	Total	9,984,449,991	3,234,930,000	523,010,000	3,250,000,000	365,991,679	7,373,931,679

No.	County	Conditional Additional Allocations from Proceeds of Loans or Grants from Development Partners for Financial Year 2026/27 (KSh)																			
		Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P	Column Q			
		Total Loans and Grants																			
40	Tana River	328,498,346		169,452,314															458,111,433		
41	Tharaka-Nithi	321,973,499		36,792,687		105,000,000													141,792,687		
42	Trans Nzoia	376,991,500		69,060,523		105,000,000													282,804,723		
43	Turkana	1,052,698,346		1,828,075,263															2,725,871,475		
44	Uasin Gishu	574,359,500		70,853,901		105,000,000													2,57,998,101		
45	Vihiga	311,656,500		44,264,222		105,000,000													149,264,122		
46	Wajir	946,833,346		245,878,585															780,321,564		
47	West Pokot	327,121,246		164,114,455															533,473,201		
	Total	57,735,435,467		480,000,000		7,799,999,912		11,200,000,000		6,187,500,000		16,703,171,420		378,730,000		853,600,000		812,442,000	1,755,000,000	4,282,066,000	57,399,765,334

MEMORANDUM OF OBJECTS AND REASONS

The principal object of this Bill is to make provision for the transfer of conditional allocations from national governments share of revenue and from development partners to the county governments for the financial year 2024/25.

Clause 1 of the Bill provides for the short title while **clause 2** defines the various terms used in the Bill.

Clause 3 of the Bill contains the object of the Bill which is to provide for the allocation of conditional grants to county governments for the financial year 2023/2024; and to provide for the transfer of these conditional allocations from the Consolidated Fund to the respective County Revenue Fund.

Clause 4 of the Bill provides for additional allocations to be made to county governments.

Clause 5 of the Bill provides for the actual additional allocations to counties from national government and development partners.

Clause 6 of the Bill provides for reports on actual transfers.

Clause 7 of the Bill provides for county government books of accounts to reflect national government transfers.

Clause 8 provides for reporting.

Dated 11th March, 2026.

ALI IBRAHIM ROBA,
Chairperson,
Standing Committee on Finance and Budget.