(No.113)

Third Session Afternoon Sitting

(1109)



REPUBLIC OF KENYA

TWELFTH PARLIAMENT – THIRD SESSION

THE NATIONAL ASSEMBLY

VOTES AND PROCEEDINGS

WEDNESDAY, NOVEMBER 27, 2019

- 1. The House assembled at thirty minutes past Two O'clock
- 2. The Proceedings were opened with Prayer
- 3. **Presiding –** the Hon. Speaker

4. MESSAGE

The following Message was conveyed -

<u>REGARDING REQUEST FOR APPROVAL OF STOPPAGE OF TRANSFERS TO COUNTY</u> <u>GOVERNMENTS</u>

Honourable Members, Pursuant to the provisions of Standing Order No. 42, I wish to convey to the House that I have received a Message from the Acting Cabinet Secretary for the National Treasury and Planning regarding a request for approval of stoppage of transfers of equitable share of revenue for the financial year 2019/2020 to County Governments.

Honourable Members, pursuant to the provisions of section 97(2) of the Public Finance Management Act, 2012, the Acting Cabinet Secretary is seeking approval of the House for stoppage of transfer to fifteen (15) County Governments as contained in Circular No.20/2019 dated 19th November, 2019.

Honourable Members, for clarity, section 97 of the Public Management Act, states as follows – $% \mathcal{A}(\mathcal{A})$

"(1) Where the Cabinet Secretary makes a decision to stop the transfer of funds to a State organ or public entity in accordance with Article 225(3) of the Constitution and provisions of this Act, the Cabinet Secretary shall stop the payment and inform the Controller of Budget in respect of—

a) the date from when the stoppage of transfer of funds takes effect; and

b) the nature of serious material breaches, or persistent material breaches, committed by the State organ or public entity.

(2) Not later than seven days after the date of the decision to stop the transfer of funds, the Cabinet Secretary shall seek approval from Parliament.

(3) Within fourteen days after the decision to stop the transfer of funds under subsection (1), the Controller of Budget shall investigate the matter and submit a report to Parliament in accordance with Article 225 (7) of the Constitution.

(4) Parliament shall, within thirty days of the decision by the Cabinet Secretary to stop the transfer of funds, approve or renew the decision of the Cabinet Secretary to stop the transfer of funds and the Cabinet Secretary shall abide by the decision of Parliament."

Honourable Members, the Acting Cabinet Secretary has noted that the fifteen (15) County Governments have contravened section 94(1)(a) of the Public Finance Management Act, 2012 by failing to make any efforts at clearing eligible pending bills, thus affecting economic growth and inconveniencing Small and Micro-Enterprises (SMEs) and other business segments at the county level.

Honourable Members, in view of the fact that the decision to stop transfer of funds to the concerned County Governments was made on 19th November 2019, the acting Cabinet Secretary has complied with the provisions of section 97(2) of the Public Finance Management Act by seeking Parliament's approval of the stoppage within seven (7) days.

Honourable Members, in this regard, I hereby refer the Message together with Circular No. 20/2019 dated 19th November 2019 from the Acting Cabinet Secretary for the National Treasury and Planning to the Budget and Appropriations Committee for consideration in light of the provisions of Article 225 of the Constitution, and thereafter report to the House on the matter within the set timelines.

I thank you!

5. **PAPERS LAID**

The following Papers were laid on the Table -

(i) Circular No. 20/2019 of 19th November, 2019 and the request for approval of Stoppage of Transfers to County Governments from the National Treasury

(The Leader of the Majority Party)

(ii) Report of the Public Accounts Committee on the Examination of the Financial Statements for the National Government for the Financial Year 2016/2017

(Hon. Opiyo Wandayi- Chairperson, Public Accounts Committee)

(iii) Report on implementation status of the resolution of the House regarding the conditional approval of Ms. Mwende Mwinzi for appointment as Ambassador of Kenya to South Korea.

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

6. **NOTICES OF MOTION**

The following Notices were given -

(i) **THAT,** this House adopts the Report of the Public Accounts Committee on its Examination of the Financial Statements for the National Government for the Financial Year 2016/2017, laid on the Table of the House on Wednesday, November 27, 2019.

(Hon. Opiyo Wandayi- Chairperson, Public Accounts Committee)

(ii) THAT, taking into consideration the findings of the Select Committee on Implementation on its Examination of the Implementation Status of the Resolution of the House of 6th June, 2019 regarding the conditional approval of Ms. Mwende Mwinzi for appointment as Ambassador of Kenya to Seoul, South Korea, laid on the Table of the House on Wednesday, November 27, 2019, and pursuant to the provisions of Article 132(2) (e) of the Constitution and Section 8 of the Public Appointments (Parliamentary Approval) Act 2011, this House rejects the nomination of Ms. Mwende Mwinzi for appointment as an Ambassador representing the Republic of Kenya.

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

(iii) **THAT,** notwithstanding the provisions of Standing Order 227(2) (Committal of Petitions), this House resolves to extend the period for consideration of the public petition before the Departmental Committee on Transport, Public Works and Housing regarding the Approval, Application and use of New Builds Low Cost Construction Technology by the Hon. David Ouma Ochieng, MP by a further period of **ten days** upon resumption of the House.

(Hon. David Pkosing- Chairperson, Departmental Committee on Transport, Public Works

and Housing)

7. **QUESTIONS**

- a) The following Question was asked -
 - (i) <u>Question No.519/2019</u> by the Member for Moyale (Hon. Gufu Wario) regarding details on relief food distribution in Marsabit county and especially in Moyale and Sololo sub counties;

(To be replied to by the Cabinet Secretary for Devolution and ASALs before the Departmental Committee on Administration and National Security)

b) The following Questions were deferred-

Question No.516/2019 by the Member for Gatanga (Hon. Nduati Ngugi) regarding progress report of investigations and persecutions if any, regarding the irregular transfer of property on L.R. 3065/6 in Thika;

(i)

- (ii)Question No.517/2019 by the Member for Mathioya (Hon. Peter Kimari Kihara) on why over 470 residents under the Older Persons Cash Transfer Programme in Kairo location of Mathioya Constituency are yet to receive their stipend since its commencement of the programme; and
- (iii) **Question No.518/2019** by the Member for West Mugirango (Hon. Vincent Mogaka) regarding completion of the *Nyamira* Town Water project which is funded by the National Government.

8. THE GAMING BILL (NATIONAL ASSEMBLY BILL NO. 38 OF 2019)

Order for Second Reading read;

Motion made and Question proposed -

THAT, the Gaming Bill (National Assembly Bill No.38 of 2019) be now read a Second Time

(The Leader of the Majority Party – 21.11.2019)

Debate on the Second Reading having been concluded on Tuesday, November 26, 2019

Question put and <u>agreed to;</u>

Bill read a Second Time and committed to the Committee of the Whole House tomorrow.

9. COMMITTEE OF THE WHOLE HOUSE

The Nuclear Regulatory Bill (National Assembly Bill No. 27 of 2018)

Order <u>deferred</u> to another day.

10. <u>MOTION</u> - <u>REPORT ON EXTENSION OF TIME LIMIT TO SUBMIT AND PUBLISH</u> <u>CENTRAL BANK OF KENYA ANNUAL REPORTS FOR THE FINACIAL YEAR</u> <u>2018/2019</u>

Motion made and Question proposed -

THAT, this House **adopts** the Report of the Public Investments Committee on the Extension of Time Limit on submission and publishing of Central Bank of Kenya Financial Reports, *laid on the Table of the House on Wednesday, November 20, 2019,* and pursuant to the provisions of section 90 of the Public Finance Management Act, 2012, **approves** the extension of time limit for submission and publishing of the Financial Reports of the of Central Bank of Kenya for the Financial Year 2018/19.

(Hon. Abdulswamad Sherif Nassir-Chairperson, Public Investments Committee)

Debate arising;

(Change of Chair from the Speaker to the Second Chairperson)

Amendment proposed –

THAT, the Motion be amended by inserting the following words immediately after the words "Financial Year 2018/2019"-

"for a period not exceeding six months pursuant to the provisions of Sections 54 and 55 of the Central Bank of Kenya Act (Cap 491 of the Laws of Kenya)"

(Hon. Abdulswamad Sherif Nassir-Chairperson, Public Investments Committee)

Question of the amendment proposed;

Debate on the amendment arising;

Question on the amendment <u>deferred</u>.

11. <u>MOTION - ANNULMENT OF THE LAND REGISTRATION (ELECTRONIC LAND</u> TRANSACTIONS) REGULATIONS, 2019

Motion made and Question proposed -

THAT, this House adopts the Report of the Committee on Delegated Legislation on its consideration of the Land Registration (Electronic Land Transactions) Regulations, 2019 (Legal Notice No. 101 of 2019), laid on the Table of the House on Wednesday, November 13, 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.

(Hon. Daniel Maanzo - Member, Committee on Delegated Legislation)

Debate arising;

Mover to reply.

12. <u>MOTION</u> - <u>REPORT ON THE SUPPLEMENTARY ESTIMATES I FOR FINANCIAL YEAR</u> 2019/2020

Motion made and Question proposed -

THAT, this House **adopts** the Report of the Budget and Appropriations Committee on the Supplementary Estimates I for the Financial Year 2019/2020, laid on the Table of the House on Tuesday, November 26, 2019, and pursuant to the provisions of Article 223 of the Constitution of Kenya, section 44 of the Public Finance Management Act, 2012, Public Finance Management Regulation 40 and Standing Order 243-

- (i) approves a reduction of the total recurrent expenditure for Financial Year 2019/2020 by Kshs. 329,017,004 in respect of the Votes as contained in the First Schedule;
- (ii) approves an increase of the total development expenditure for Financial Year 2019/2020 by Kshs.74,875,403,054 in respect of the Votes as contained in the First Schedule;

- (iii) approves an overall **increase** in the total budget for Financial Year 2019/2020 by **Kshs. 74,546,386,050** in respect of the Votes as contained in the First Schedule; and,
- (iv) further makes the policy resolutions contained in the Second Schedule to the Order Paper.

(Motion moved in an Amended Form, Pursuant to the provisions of Standing Order No. 48)

(Hon. Ichung'wah Kimani- Chairperson, Budget & Appropriations Committee)

Debate arising;

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

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

MEMORANDUM

The Speaker will take the Chair on Thursday, November 28, 2019 at 2.30 p.m.

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