



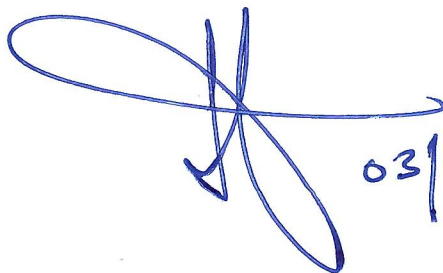
REPUBLIC OF KENYA

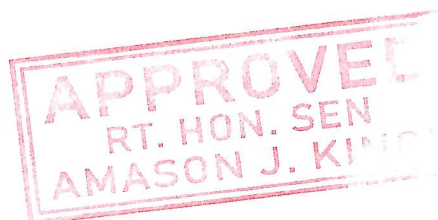
THIRTEENTH PARLIAMENT - THIRD SESSION

THE SENATE

STANDING COMMITTEE ON FINANCE AND BUDGET

REPORT ON THE CONSIDERATION OF THE PRESIDENTIAL
MEMORANDUM OF REFERRAL OF THE COUNTY ALLOCATION
OF REVENUE BILL, 2024 (SENATE BILLS NO.25 OF 2024)

 03/12/24



Clerk's Chambers,
Parliament Buildings,
NAIROBI.

December 2024

Hon. Speaker
You may approve for
table *MS*
3/12/24



UNITED STATES OF AMERICA

DEPARTMENT OF THE ARMY

OFFICE OF THE ADJUTANT GENERAL

WASHINGTON, D. C. 20315

REPORT OF THE ADJUTANT GENERAL

OF THE DEPARTMENT OF THE ARMY
ON THE PERFORMANCE OF THE ADJUTANT GENERAL
IN THE OFFICE OF THE ADJUTANT GENERAL
FOR THE YEAR 1971

02/12/71

Adjutant General
Department of the Army
Washington, D. C. 20315

Form 100-10

For info above to
Adjutant Gen
2/10/71
H. J. Smith

TABLE OF CONTENTS

TABLE OF CONTENTS	2
LIST OF ABBREVIATIONS/ACRONYMS	3
PREFACE	4
ESTABLISHMENT AND MANDATE OF THE COMMITTEE	4
MEMBERSHIP OF THE COMMITTEE	5
CHAIRPERSON’S FOREWORD	6
Acknowledgement	9
Introduction	11
Presidential memorandum of referral of the County Allocation of Revenue Bill, 2024 (Senate No.25 of 2024)	11
Introduction of the Division of Revenue (Amendment) Bill, 2024 (National Assembly Bills No. 38 of 2024)	13
Consideration of the County Governments Recurrent Expenditure Budget Ceiling	14
Committee Observation	14
Committee Recommendation	14

LIST OF ABBREVIATIONS/ACRONYMS

CARB	-	County Allocation of Revenue Bill
CRA	-	Commission on Revenue Allocation
FY	-	Financial Year
PFMA	-	Public Finance Management Act

PREFACE

ESTABLISHMENT AND MANDATE OF THE COMMITTEE

Article 124(1) of the Constitution of Kenya provides that each House of Parliament may establish committees and shall make Standing Orders for the orderly conduct of its proceedings, including the proceedings of its committees.

Parliamentary committees consider policy issues, scrutinize the workings and expenditures of the National and County Governments, and examine proposals for legislation. The end result of any process in Committees is a report, which is tabled in the House for consideration.

The Senate Standing Committee on Finance and Budget is established under Section 8(1) of the Public Finance Management (PFM) Act, 2012 and standing order 228 of the Senate Standing Orders and is mandated to-

- a) investigate, inquire into, and report on all matters relating to coordination, control, and monitoring of the county budgets and examine -
 - i. the Budget Policy Statement presented to the Senate;
 - ii. the report on the budget allocated to constitutional Commissions and independent offices;
 - iii. the Division of Revenue Bill, the County Allocation of Revenue Bill, the County Governments Additional Allocations Bill, and the cash disbursement schedules for county governments;
 - iv. all matters related to resolutions and Bills for appropriations, the share of national revenue amongst the counties, matters concerning the national budget, including public finance and monetary policies and public debt, planning, and development policy; and
- b) Pursuant to Article 228 (6) of the Constitution, to examine the report of the Controller of Budget on the implementation of the budgets of county governments.

MEMBERSHIP OF THE COMMITTEE

Following the constitution of the Standing Committees of the Senate of the Thirteenth (13th) Parliament on Thursday, 13th October, 2022, the Senate Standing Committee on Finance and Budget as currently constituted comprises the following Members-

- | | | |
|---|---|-------------------------|
| 1) Sen. (Capt.) Ali Ibrahim Roba, EGH, MP | - | Chairperson |
| 2) Sen. Maureen Tabitha Mutinda, MP | - | Vice-Chairperson |
| 3) Sen. (Dr.) Boni Khalwale, CBS, MP | - | Member |
| 4) Sen. Joyce Chepkoech Korir, MP | - | Member |
| 5) Sen. Tabitha Karanja Keroche, MGH, MP | - | Member |
| 6) Sen. Mohamed Faki Mwinyihaji, CBS, MP | - | Member |
| 7) Sen. Richard Momoima Onyonka, MP | - | Member |
| 8) Sen. Shakila Abdalla Mohamed, MP | - | Member |
| 9) Sen. Eddy Gicheru Oketch, MP | - | Member |

CHAIRPERSON'S FOREWORD

The County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) was published on 3rd May, 2024 and read a First Time in the Senate at its sitting held on Thursday, 30th May, 2024. Thereafter, pursuant to standing order 145 of the Senate Standing Orders, the Bill was committed to the Standing Committee on Finance and Budget for consideration.

The County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) had been prepared in accordance with Article 218(1)(b) of the Constitution. The Bill is meant to divide among the counties the revenue allocated to the county level of government through the Division of Revenue Act. The published Bill provided for Ksh.415,952,200,000 as equitable share distributed amongst the counties.

Following enactment of Division of Revenue Act, No. 5 of 2024, the county equitable share for FY 2024/2025 was Ksh. 400,116,788,147. This necessitated an amendment to the First Schedule to the Bill dividing county equitable share in accordance with the basis of revenue allocation among counties under Article 217 of the Constitution.

The Second Schedule to the Bill provided the indicative recurrent expenditure budget ceilings for the county assemblies and the county executive for the FY 2024/25 as proposed by the Commission on Revenue Allocation (CRA).

Following the tabling of the Committee's Report on the Bill, the Senate approved the Bill, on 11th June, 2024, with amendments, that-

- a) the First Schedule to the Bill be amended to reflect the allocation to the respective county governments of the total county equitable share of Ksh.400,116, 788,147.
- b) the Second Schedule to the Bill be amended to reflect adjusted recurrent expenditure ceilings.

Pursuant to Article 110(4) of the Constitution, the Bill was referred to the National Assembly for concurrence. The Assembly considered the Bill and approved it without amendments on 25th June, 2024. Consequently, the Bill was presented for presidential assent.

Pursuant to Article 115 of the Constitution, on 10th July, 2024, His Excellency, the President referred the Bill to Parliament for reconsideration. The Presidential

The Council of the City of New York, in its resolution of the 15th day of January, 1711, directed the Mayor, Aldermen and Commonalty to take such measures as they should think proper for the better regulation of the City, and to report the same to the next meeting of the Council.

The Council, in pursuance of the said resolution, have taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

The Council, in pursuance of the said resolution, have also taken into consideration the petition of the Mayor, Aldermen and Commonalty, and have resolved that the same be referred to a select committee of the Council, to be chosen by ballot, to consider of the same, and to report thereon to the next meeting of the Council.

memorandum of Referral indicated that the Finance Bill, 2024 was not tenable, and therefore, failure to enact Finance Bill, 2024 necessitated the reorganization and rationalization of the Government's financial arrangements for the Financial Year 2024/25 to accommodate the anticipated revenue reduction that would have been collected through the Bill. The Memorandum indicated that the First Schedule to the Bill should be deleted and replaced with a Schedule that indicated total county equitable share of Ksh.380 billion.

Upon receipt of the memorandum, the Speaker of the Senate conveyed the Message from the President and pursuant to standing order 170 of the Senate Standing Orders referred the Memorandum to the Standing Committee on Finance and Budget.

The Committee considered the memorandum and noted that pursuant to Article 218(1) of the Constitution, the County Allocation of Revenue Bill is a resultant legislation of the Division of Revenue Act. Thus, the two are inextricably linked. It was further noted that whereas Division of Revenue Act, No. 5 of 2024 provided county equitable share of Ksh.400,112,787,146, the County Allocation of Revenue Act, 2024 cannot share a different quantum of the equitable share.

The Committee recommended that amendments to the Division of Revenue Act, ought to be undertaken before embarking on reconsideration of the County Allocation of Revenue Bill.

The Division of Revenue (Amendment) Bill (National Assembly Bills No. 38 of 2024) was published by the National Assembly. The Bill underwent the parliamentary processes and through mediation it was approved allocating counties equitable share of Ksh.387.425 billion.

This change on the division of revenue, therefore necessitates reconsideration of the County Allocation of Revenue Bill, 2024 together with the Presidential Memorandum on the Bill. This consideration must be guided by the principle that both Division of Revenue and County Allocation of Revenue legislations must provide the same quantum of the county equitable share.

The Committee considered the Presidential Memorandum of Referral of the County Allocation of Revenue Bill, 2024 and noted that that the County Allocation of Revenue Bill should be corresponding to the approved Division of Revenue (Amendment) Bill.

Consequently, the Committee considered the matter and resolved to recommend that the Senate considers the Presidential Memorandum of the referral of the County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) and adopt such that-

- a) the First Schedule to the Bill allocates Ksh.387,425, 000,000 among the 47 county governments.
- b) Consequently, based on the downward revision of the county equitable share, the Second Schedule to the Bill be amended to reflect adjusted recurrent expenditure budget ceilings.

1. The purpose of this study is to determine the effect of the
application of the new method on the results of the
test. The results of the test are compared with the results of the
old method.

2. The results of the test are compared with the results of the
old method. The results of the test are compared with the results of the
old method. The results of the test are compared with the results of the
old method.

3. The results of the test are compared with the results of the
old method. The results of the test are compared with the results of the
old method. The results of the test are compared with the results of the
old method.

Acknowledgement

The Committee appreciates offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in undertaking this important assignment.

Lastly, I take this opportunity to commend the Members of the Committee for their devotion and commitment to duty, which made the consideration of the Presidential Memorandum of Referral of the County Allocation of Revenue Bill, 2024 successful.

It is now my pleasant duty, pursuant to standing order 170(2) of the Senate Standing Orders to present the Report of the Standing Committee on Finance and Budget on the consideration of the Presidential Memorandum of Referral of the County Allocation of Revenue Bill, 2024.

Signature..........Date.....3rd Dec. 2024





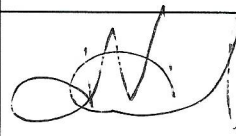


SEN. (CAPT.) ALI IBRAHIM ROBA, EGH, MP,

CHAIRPERSON,

STANDING COMMITTEE ON FINANCE AND BUDGET

**ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON FINANCE
AND BUDGET ON CONSIDERATION OF THE PRESIDENTIAL
MEMORANDUM OF REFERRAL OF THE COUNTY ALLOCATION OF
REVENUE BILL, 2024 (SENATE BILLS NO.25 OF 2024)**

We, the undersigned Members of the Senate Standing Committee on Finance and Budget,
do hereby append our signatures to adopt this Report-

	Name	Designation	Signature
1.	Sen. Capt. Ali Ibrahim Roba, EGH, MP	Chairperson	
2.	Sen. Maureen Tabitha Mutinda, MP	Vice-Chairperson	
3.	Sen. (Dr.) Boni Khalwale, CBS, MP	Member	
4.	Sen. Tabitha Karanja Keroche, MGH, MP	Member	
5.	Sen. Joyce Chepkoech Korir, MP	Member	
6.	Sen. Mohamed Faki Mwinyihaji, CBS, MP	Member	
7.	Sen. Richard Momoima Onyonka, MP	Member	
8.	Sen. Shakila Abdalla Mohamed, MP	Member	
9.	Sen. Eddy Gicheru Oketch, MP	Member	

I. Introduction

1. The County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) was published on 3rd May, 2024 and read a First Time in the Senate on Thursday, 30th May, 2024. Thereafter, pursuant to standing order 145 of the Senate Standing Orders, the Bill was committed to the Standing Committee on Finance and Budget for consideration and facilitation of public participation.
2. The County Allocation of Revenue Bill, Senate Bills No. 25 of 2024, was introduced in Parliament pursuant to Article 218(1)(b) of the Constitution which requires that “at least two months before the end of a financial year there shall be introduced in Parliament a County Allocation of Revenue Bill which shall divide among the counties the revenue allocated to the county level of government on the basis determined in accordance with a resolution in force under Article 217”.
3. The Bill was considered and passed by the Senate on 11th June, 2024, and thereafter referred to the National Assembly for concurrence pursuant to the provisions of Article 110(4) of the Constitution, and standing order 161 of the Senate Standing Orders.
4. The National Assembly considered and passed the Bill on the 25th June, 2024.
5. The Bill, as passed by Parliament divided among the forty-seven (47) counties a total equitable share of Ksh.400,116,788,147. This was in accordance with the Division of Revenue Act No. 5 of 2024 which divided nationally raised revenue between the national and county levels of governments as follows: Ksh.2,540,153,902,710 for national governments and Ksh.400,116,788,147 for county governments.
6. Accordingly, the Bill was presented for Presidential Assent pursuant Article 115 of the Constitution on 28th June, 2024.

II. Presidential memorandum of referral of the County Allocation of Revenue Bill, 2024 (Senate No.25 of 2024)

7. By a letter dated 10th July, 2024, and received in the Senate on 11th July, 2024, the President, in exercise of the power under Article 115(1)(b), declined assent to the Bill and referred it back to the Senate for reconsideration recommending that the

- Bill be amended by deleting the First Schedule and substituting with a new Schedule, which contained total equitable share of Ksh.380,000,002,218.
8. The Speaker of the Senate conveyed the Message from the President and pursuant to standing order 170 of the Senate Standing Orders and referred the Memorandum to the Standing Committee on Finance and Budget for consideration.
 9. The Committee considered the Presidential Memorandum and noted that-
 - a) the Presidential recommendation was informed by the failure to enact the Finance Bill, 2024 which necessitated the reorganization and rationalization of the government's fiscal arrangements for the Financial Year 2024/25 including the County Allocation of Revenue Bill, 2024 to accommodate the anticipated revenue reduction that would have been collected had the Finance Bill been enacted.
 - b) pursuant to Article 218(1) of the Constitution, the County Allocation of Revenue Bill is a resultant legislation of the Division of Revenue Act. Thus, the two are inextricably linked.
 - c) whereas Division of Revenue Act, No. 5 of 2024, which provides for vertical allocation of nationally raised revenue between the two levels of government, provided county equitable share of Ksh.400,112,787,146, the County Allocation of Revenue Act, 2024 cannot share a different allocation of the equitable share.
 - d) recommendation to amend the First Schedule to the County Allocation of Revenue Bill must be preceded by an amendment to the Division of Revenue Act since the two Bills are not mutually exclusive but one forms the basis for the other.
 10. The Committee Chairperson reported back to the Senate in accordance with standing order 56(1)(a) of the Senate Standing Orders recommending that processing of President's reservation on the Bill can only be done after Parliament's approval of the Division of Revenue (Amendment) Bill.

III. The Division of Revenue (Amendment) Bill, 2024 (National Assembly Bills No. 38 of 2024)

11. The National Treasury and Economic Planning submitted to Parliament the draft Division of Revenue (Amendment) Bill, 2024 on 17th July, 2024 which was published by the National Assembly.
12. The purpose of the Bill was to amend the Division of Revenue Act, No. 5 of 2024 to provide for the equitable sharing of the shortfall in revenue raised nationally, occasioned by downward revision of projected ordinary revenue for FY 2024/25, between the two levels of government.
13. The Bill proposed deletion and replacement of the Schedule to the Act reducing the county governments equitable allocation from Kshs.400.12 billion to Kshs.380 billion, whereas that of the National Government from Kshs.2,540.15 billion to Kshs.2,214.27 billion.
14. The Bill was introduced in the National Assembly, debated and passed without amendments on 7th August, 2024, and referred to the Senate for concurrence pursuant to Article 110(4) of the Constitution.
15. The Senate considered and passed the Bill with amendments on 3rd October, 2024 to provide for county equitable share of Kshs.400.12 billion.
16. On 16th October, 2024, the National Assembly rejected the proposed amendments to the Bill by the Senate.
17. The Bill was therefore referred to the Mediation Committee for consideration and development of a version of the Bill to be passed by both Houses of Parliament, pursuant to the provisions of Article 113(1) of the Constitution.
18. Parliament considered and approved the Mediated version of the Division of Revenue (Amendment) Bill that provided county equitable share of Ksh.387.425 billion for the FY 2024/25.
19. Consequently, the County Allocation of Revenue for FY 2024/25 need to be considered to ensure the two legislations are corresponding.

IV. Consideration of the County Governments Recurrent Expenditure Budget Ceiling

20. The Second Schedule to the County Allocation of Revenue Bill, 2024 provides the indicative recurrent expenditure ceilings for the County Assemblies and the County Executive as proposed by the Commission on Revenue Allocation (CRA).
21. Noting the minimal growth of the county equitable share of Ksh.2 billion, from the FY 2023/2024 allocation of Ksh.385.425 to FY 2024/25 allocation of Ksh.387.425, it was paramount to reconsider the provision on Second Schedule to the Bill. The Public Finance Management Act, Cap. 412A section 107 provides for fiscal responsibility regarding recurrent expenditure.
22. In adherence to these provisions, the Schedule provides a guide on recurrent expenditure budget ceiling for respective county assembly and executive.
23. The Committee determined that the FY 2024/25 budget ceilings should be the same as FY 2023/24 budget ceilings with adjustment of netting *one-off* items that had been included (car reimbursement and Senate adjustments) and adjusting resultant figure upwards by inflation factor of 4 percent.

V. Committee Observation

24. The Committee made the following observations-
- a) That the County Allocation of Revenue Bill, 2024 should be reconsidered to ensure its provisions is corresponding to the Division of Revenue (amendment) Bill approved by Parliament.
 - b) Due to minimal growth in equitable share in FY 2024/25, the requests by various county assemblies for acquisition of various items be deferred to subsequent financial years.

VI. Committee Recommendation

25. The Committee having considered the matter, recommend that the Senate considers the Presidential Memorandum of the referral of the County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) as follows-
- a) that, the First Schedule to the Bill allocates Ksh.387,425, 000,000 among the 47 county governments.

Original Article

20. The fact that the patient is a member of the American Medical Association is not a sufficient basis for the selection of a physician for the treatment of a patient. The physician should be selected on the basis of his qualifications and the patient's needs.

21. During the month of May, 1934, the American Medical Association received 1,234 applications for membership. Of these, 1,000 were accepted for membership and 234 were rejected. The reason for the rejection of the 234 applications was that the applicants did not meet the requirements for membership as set forth in the constitution and bylaws of the Association.

22. In addition to the fact that the patient is a member of the American Medical Association, the physician should also consider the patient's financial resources and the patient's ability to pay for the services rendered. The physician should not accept a patient who is unable to pay for the services rendered, unless the patient is indigent and the physician is willing to accept the case on a pro bono basis.

Constitutional Amendments

23. The following amendments to the constitution of the American Medical Association were proposed at the annual meeting held in Chicago, Ill., in May, 1934. The amendments were adopted by a vote of 1,000 to 234.

1. That the Association should take steps to secure the recognition of the medical profession as a learned profession.

2. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to self-regulation.

3. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective bargaining.

4. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective action.

5. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective representation.

Constitutional Amendments

24. The following amendments to the constitution of the American Medical Association were proposed at the annual meeting held in Chicago, Ill., in May, 1934. The amendments were adopted by a vote of 1,000 to 234.

1. That the Association should take steps to secure the recognition of the medical profession as a learned profession.

2. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to self-regulation.

3. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective bargaining.

4. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective action.

5. That the Association should take steps to secure the recognition of the medical profession as a profession entitled to the right of collective representation.

- b) Consequently, based on the downward revision of the county equitable share, the Second Schedule to the Bill be amended to reflect adjusted recurrent expenditure budget ceilings

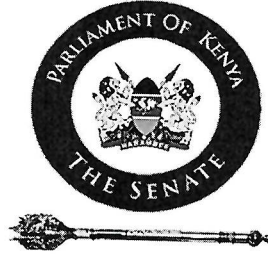
Appendices

1. Minutes of the Committee
2. Proposed Committee Stage Amendments

Annex 1: Minutes of the Committee

Annex I: Minutes of the

Committee



MINUTES OF HUNDRED AND SEVENTY-NINTH (179TH) MEETING OF THE SENATE STANDING COMMITTEE ON FINANCE AND BUDGET HELD ON TUESDAY, 3RD DECEMBER, 2024 IN THE GROUND FLOOR BOARDROOM, COUNTY HALL, PARLIAMENT BUILDINGS AT 2.30 P.M.

PRESENT

- | | | |
|---|---|-------------------------|
| 1. Sen. (Capt.) Ali Ibrahim Roba, EGH, MP | - | Chairperson |
| 2. Sen. Maureen Tabitha Mutinda, MP | - | Vice-Chairperson |
| 3. Sen. Tabitha Karanja Keroche, MGH, MP | - | Member |
| 4. Sen. (Dr.) Boni Khalwale, CBS, MP | - | Member |
| 5. Sen. Richard Momoima Onyonka, MP | - | Member |
| 6. Sen. Mohamed Faki Mwinyihaji, CBS, MP | - | Member |
| 7. Sen. Eddy Oketch Gicheru, MP | - | Member |

ABSENT WITH APOLOGY

- | | | |
|-------------------------------------|---|--------|
| 8. Sen. Shakila Abdalla Mohamed, MP | - | Member |
| 9. Sen. Joyce Chepkoech Korir, MP | - | Member |

SECRETARIAT

- | | | |
|----------------------------|---|-------------------------|
| 1. Mr. Christopher Gitonga | - | Clerk Assistant |
| 2. Mr. David Ngamate | - | Clerk Assistant |
| 3. Ms. Lucy Radoli | - | Legal Counsel |
| 4. Mr. Constant Wamayuyi | - | Research Officer |
| 5. Mr. Abdirahman Gorod | - | Fiscal Analyst |
| 6. Mr. Kiminza Kioko | - | Fiscal Analyst |
| 7. Mr. Nandemu Barasa | - | Media Relations Officer |

MIN/SEN/SCF&B/1041/2024 PRELIMINARIES

The Chairperson called the meeting to order at 2.51 p.m. This was followed by a word of prayer, and a round of introduction.

MIN/SEN/SCF&B/1042/2024 ADPOTION OF THE AGENDA

The agenda was adopted after being proposed by Sen. Maureen Tabitha Mutinda, MP, and seconded by Sen. (Dr.) Boni Khalwale, CBS, MP, as listed below-

1. Prayer;
2. Introduction;
3. Adoption of the Agenda;
4. Consideration of the Presidential Memorandum of referral of the County Allocation of Revenue Bill, 2024 (Senate Bills No. 25 of 2024)- (Committee Paper No.123);
5. Consideration and Adoption of the Report on Presidential Memorandum of referral of the County Allocation of Revenue Bill, 2024 (Senate Bills No. 25 of 2024);
6. Any Other Business; and
7. Adjournment and Date of the Next Meeting.

MIN/SEN/SCF&B/1043/2024

**CONSIDERATION OF THE PRESIDENTIAL
MEMORANDUM OF REFERRAL OF THE
COUNTY ALLOCATION OF REVENUE BILL,
2024 (SENATE BILLS NO. 25 OF 2024)-
(COMMITTEE PAPER NO.123)**

The Committee considered the Committee Paper No. 123 and noted its contents.

The Committee further resolved to recommend the Senate to consider and adopt the Presidential Memorandum of the Referral of the County Allocation of Revenue Bill, 2024 (Senate Bills No.25 of 2024) such that-

- a) The First Schedule to the Bill allocates Ksh.387,425, 000,000 among the 47 county governments.
- b) Consequently, based on the downward revision of the county equitable share, the Second Schedule to the Bill be amended to reflect adjusted recurrent expenditure budget ceilings. That is Financial Year 2023/2024 recurrent expenditure budget ceiling *net-off one-off* items such as car reimbursements and adjusted upwards by inflation factor of 4%.

MIN/SEN/SCF&B/1044/2024

**CONSIDERATION AND ADOPTION OF THE
REPORT ON PRESIDENTIAL MEMORANDUM
OF REFERRAL OF THE COUNTY
ALLOCATION OF REVENUE BILL, 2024
(SENATE BILLS NO. 25 OF 2024)**

The Committee considered its report and unanimously adopted it having been proposed by Sen. Eddy Oketch Gicheru, MP and seconded by Sen. Tabitha Karanja Keroche, MGH, MP with the following recommendations;

- a) That, the First Schedule to the Bill allocates Ksh.387,425, 000,000 among the 47 county governments; and

- b) Consequently, based on the downward revision of the county equitable share, the Second Schedule to the Bill be amended to reflect adjusted recurrent expenditure budget ceilings of Ksh.36,369,242,228 and Ksh.33,756,814,187 for county assemblies and county executives respectively.

MIN/SEN/SCF&B/1046/2024 **ADJORNMENT AND THE DATE OF THE NEXT MEETING**

The meeting adjourned at 3.25 p.m. Next meeting shall be held on Thursday, 5th December, 2024.

SIGNATURE..... DATE.....

SEN.(CAPT.) ALI IBRAHIM ROBA, EGH, MP

(CHAIRPERSON)

Annex 2: Proposed Committee Stage Amendments

Proposed

2:

Annex

21865

Committee

Amendments

The Clerk of the Senate,
Parliament Buildings,
NAIROBI.

COMMITTEE STAGE AMENDMENTS TO THE COUNTY ALLOCATION OF REVENUE BILL, 2024 (SENATE BILLS NO. 25 OF 2024)

NOTICE is given that Sen. Ali Ibrahim Roba, Chairperson, Committee on Finance and Budget, intends to move the following amendments to the County Allocation of Revenue Bill, 2024, (Senate Bills No. 25 of 2024), at the Committee Stage-

FIRST SCHEDULE

THAT the Bill be amended by deleting the First Schedule and substituting therefor the following new Schedule –

FIRST SCHEDULE

Allocation of Each County Government's Equitable Share of Revenue Raised Nationally in the FY 2024/25. (s.4(1))

SN	County	FY 2024/25					
		FY 2023/24		0.5 (Allocation Ratio*)		(Equitable Allocation Ratio) * (Formula **)	Share*-0.5 Ratio)
		Total Equitable Share		Allocation Ratio		Allocation Ratio	Equitable Share
		385,424,616,062		Column A		Column B	Column C
1	Baringo	6,647,771,186		Column A		Column B	Column C
2	Bomet	6,977,924,070		1.61		1.74	2,547,825,000
3	Bungoma	11,111,983,608		1.74		2.81	2,753,550,000
4	Busia	7,475,585,295		2.81		1.90	4,446,825,000
5	Elgeyo/Marakwet	4,801,453,188		1.90		1.22	3,006,750,000
6	Embu	5,341,810,744		1.22		1.36	1,930,650,000
							2,152,200,000
							Column D
							Column E
							Column F=C+E
							387,425,000,000
							6,683,873,223
							7,015,121,755
							11,170,673,599
							7,514,935,582
							4,826,732,019
							5,369,896,832

SN	County	FY 2024/25						
		FY 2023/24		0.5 (Allocation Ratio*)			(Equitable Allocation Ratio*)	
		Total Equitable Share		Allocation Ratio		Column C	Share**-0.5 Ratio)	
		385,424,616,062	Column A	Column B	Column D		Equitable Share	Total Equitable Share****
						158,250,000,000	229,175,000,000	387,425,000,000
			Column A	Column B	Column C	Column D	Column E	Column F=C+E
7	Garissa	8,248,748,101	2.22	2.08	3,513,150,000	2.08	4,777,297,365	8,290,447,365
8	Homa-Bay	8,128,387,250	2.13	2.09	3,370,725,000	2.09	4,799,555,800	8,170,280,800
9	Isiolo	4,899,041,209	1.34	1.22	2,120,550,000	1.22	2,802,957,187	4,923,507,187
10	Kajiado	8,300,213,576	2.03	2.24	3,212,475,000	2.24	5,132,538,610	8,345,013,610
11	Kakamega	12,912,646,262	3.29	3.39	5,206,425,000	3.39	7,774,078,320	12,980,503,320
12	Kericho	6,703,129,925	1.70	1.77	2,690,250,000	1.77	4,048,215,302	6,738,465,302
13	Kiambu	12,227,552,449	2.98	3.31	4,715,850,000	3.31	7,577,846,674	12,293,696,674
14	Kilifi	12,109,200,498	3.30	3.03	5,222,250,000	3.03	6,947,593,476	12,169,843,476
15	Kirinyaga	5,420,217,528	1.34	1.45	2,120,550,000	1.45	3,328,722,719	5,449,272,719
16	Kisii	9,258,588,608	2.46	2.36	3,892,950,000	2.36	5,412,885,688	9,305,835,688
17	Kisumu	8,361,797,770	2.16	2.18	3,418,200,000	2.18	4,987,128,573	8,405,328,573
18	Kitui	10,829,486,936	2.79	2.82	4,415,175,000	2.82	6,470,793,099	10,885,968,099
19	Kwale	8,584,103,693	2.46	2.06	3,892,950,000	2.06	4,732,461,603	8,625,411,603
20	Laikipia	5,358,246,532	1.32	1.44	2,088,900,000	1.44	3,298,134,732	5,387,034,732
21	Lamu	3,237,350,707	0.82	0.85	1,297,650,000	0.85	1,956,780,723	3,254,430,723
22	Machakos	9,547,295,309	2.45	2.50	3,877,125,000	2.50	5,720,098,940	9,597,223,940
23	Makueni	8,455,460,962	2.34	2.09	3,703,050,000	2.09	4,794,258,272	8,497,308,272
24	Mandera	11,633,191,646	3.23	2.87	5,111,475,000	2.87	6,579,143,560	11,690,618,560
25	Marsabit	7,560,398,412	2.14	1.84	3,386,550,000	1.84	4,210,601,194	7,597,151,194
26	Meru	9,892,625,172	2.54	2.59	4,019,550,000	2.59	5,924,790,480	9,944,340,480
27	Migori	8,341,446,108	2.14	2.18	3,386,550,000	2.18	4,998,526,399	8,385,076,399
28	Mombasa	7,861,523,820	2.23	1.91	3,528,975,000	1.91	4,370,699,038	7,899,674,038
29	Murang'a	7,473,786,703	1.99	1.90	3,149,175,000	1.90	4,362,692,031	7,511,867,031
30	Nairobi City	20,072,059,115	5.03	5.33	7,959,975,000	5.33	12,218,736,957	20,178,711,957
31	Nakuru	13,593,424,693	3.31	3.68	5,238,075,000	3.68	8,428,922,646	13,666,997,646
32	Nandi	7,305,294,033	1.69	2.04	2,674,425,000	2.04	4,671,646,107	7,346,071,107
33	Narok	9,196,276,899	2.54	2.28	4,019,550,000	2.28	5,222,310,519	9,241,860,519

SN	County	FY 2023/24						FY 2024/25			
		Total Equitable Share		0.5 (Allocation Ratio*)		(Equitable Allocation Ratio*)		Share** -0.5 (Ratio)		Total Equitable Share***	
		385,424,616,062		Allocation Ratio		Equitable Share		Equitable Share		387,425,000,000	
		Column A		Column B		Column C		Column D		Column E	
34	Nyamira	5,334,198,486		1.52		2,405,400,000		1.29		2,954,587,994	
35	Nyandarua	5,905,976,056		1.54		2,437,050,000		1.53		3,499,471,652	
36	Nyeri	6,485,331,051		1.71		2,706,075,000		1.66		3,812,534,255	
37	Samburu	5,594,312,489		1.46		2,310,450,000		1.45		3,312,778,509	
38	Siaya	7,263,019,462		1.83		2,895,975,000		1.92		4,405,498,431	
39	Taita-Taveta	5,040,427,430		1.34		2,120,550,000		1.29		2,945,588,383	
40	Tana-River	6,790,702,542		1.85		2,927,625,000		1.70		3,897,093,834	
41	Tharaka-Nithi	4,378,234,821		1.24		1,962,300,000		1.06		2,437,208,312	
42	Trans-Nzoia	7,499,822,440		1.82		2,880,150,000		2.03		4,660,350,922	
43	Turkana	13,143,946,933		3.33		5,269,725,000		3.47		7,943,558,320	
44	Uasin-Gishu	8,426,072,635		2.00		3,165,000,000		2.32		5,307,398,961	
45	Vihiga	5,267,026,885		1.47		2,326,275,000		1.29		2,966,646,648	
46	Wajir	9,853,656,422		2.70		4,272,750,000		2.46		5,630,049,041	
47	West Pokot	6,573,866,403		1.58		2,500,350,000		1.79		4,109,385,714	
	Total	385,424,616,062		100.00		158,250,000,000		100.00		229,175,000,000	
										387,425,000,000	

*This refers to the Shareable Revenue allocated to counties in the financial year 2019/ 20 of Kshs. 316.5 billion. Thus, the allocation to county governments under this component is one-half of the equitable share allocated to county governments in FY 2019/20 amounting to Kshs. 158. 25 billion.

** This is the equitable share of revenues raised nationally allocated to county governments in FY 2024/25 amounting to Kshs. 387.425 billion. Once you net out one half of the amounts of Allocation Ratio or Ksh.158.25 billion from the Equitable share of Kshs. 387.425 billion, the resulting balance of Kshs. 229.175 billion shall be allocated among county governments using the Formula.

*** Formula= $0.18 \times \text{Population Index} + 0.17 \times \text{Health Index} + 0.10 \times \text{Agriculture Index} + 0.05 \times \text{Urban Index} + 0.14 \times \text{Poverty Index} + 0.08 \times \text{Land Area Index} + 0.08 \times \text{Roads Index} + 0.20 \times \text{Basic Share Index}$

**** Sum total of equitable share to each county government, which is one-half of the equitable share allocated to county governments in FY 2019/20 plus resulting balance of Kshs.229.175 billion shared among county governments based on the Third Basis Formula.

SECOND SCHEDULE

THAT the Bill be amended by deleting the Second Schedule and substituting therefor the following new Schedule-

SECOND SCHEDULE (s.5)

County Government Budget Ceilings on Recurrent Expenditure in Financial Year 2024/25 (Figures in Kenya Shillings)					
		County Assembly Ceilings		County Executive Ceilings	
SN	County	FY 2023/24	FY 2024/25	FY 2023/24	FY 2024/25
1	Baringo	828,250,102	757,858,506	628,507,168	811,330,131
2	Bomet	826,903,256	677,847,307	525,981,274	675,271,762
3	Bungoma	1,030,966,304	1,019,575,196	593,145,551	794,269,934
4	Busia	890,557,352	804,254,206	565,353,297	740,954,156
5	Elgeyo-Marakwet	688,567,522	642,494,863	540,143,817	682,571,452
6	Embu	655,164,072	612,356,235	470,665,205	599,617,223
7	Garissa	928,822,377	805,632,232	517,163,240	693,214,915
8	Homa-Bay	951,617,005	865,455,765	612,652,603	807,946,650
9	Isiolo	539,314,722	455,851,471	384,717,582	483,811,987
10	Kajiado	836,365,718	739,100,667	543,625,285	705,785,753
11	Kakamega	1,400,821,103	1,277,560,747	702,976,417	954,360,037
12	Kericho	828,466,755	753,482,865	574,171,331	742,119,652
13	Kiambu	1,352,347,776	1,122,733,276	689,615,145	937,949,817
14	Kilifi	942,241,093	811,428,332	552,882,777	732,390,410
15	Kirinyaga	673,319,674	626,637,101	463,453,685	591,357,406
16	Kisii	1,112,890,743	994,072,293	635,010,868	842,938,395
17	Kisumu	827,121,358	862,083,652	548,429,020	720,990,566
18	Kitui	1,042,409,957	946,077,555	787,239,883	1,034,274,047
19	Kwale	667,712,409	625,406,505	436,816,651	561,039,626
20	Laikipia	545,809,049	477,594,112	429,430,142	543,968,003
21	Lamu	493,148,394	466,864,730	349,978,277	439,219,777
22	Machakos	1,021,331,660	924,156,126	618,887,863	817,384,477
23	Makueni	882,052,960	780,912,038	597,330,868	772,648,310
24	Mandera	983,911,204	825,043,653	537,192,934	709,410,958
25	Marsabit	714,092,325	666,740,178	477,791,217	620,635,223
26	Meru	1,105,946,626	991,451,371	802,472,137	1,046,885,894
27	Migori	1,003,508,709	907,920,737	609,089,597	803,308,177
28	Mombasa	837,169,783	700,845,894	414,726,825	550,949,872

County Government Budget Ceilings Kenya Shillings)					Recurrent Expenditure in Financial Year 2023/24 (Figures in Kenya Shillings)		
SN	County	County Assembly Ceilings		County Executive Ceilings	FY 2023/24	FY 2024/25	FY 2024/25
		FY 2023/24	FY 2024/25				
29	Murang'a	830,709,033	755,814,834		633,050,405		822,212,796
30	Nairobi City	1,924,120,608	1,596,625,912		640,180,465		924,648,890
31	Nakuru	1,160,413,432	1,034,293,969		703,777,688		949,692,125
32	Nandi	796,999,461	727,658,319		647,212,948		829,614,196
33	Narok	911,202,495	834,927,075		545,667,285		715,936,269
34	Nyamira	746,578,493	650,614,404		458,194,685		584,106,355
35	Nyandarua	770,438,804	706,936,676		533,107,285		683,959,845
36	Nyeri	776,126,610	710,551,514		605,347,631		779,895,747
37	Samburu	593,254,286	557,171,977		482,789,720		611,274,116
38	Siaya	775,678,151	710,085,117		540,322,777		701,924,604
39	Taita-Taveta	681,840,554	635,498,816		439,488,905		567,140,475
40	Tana-River	677,653,973	605,987,033		436,641,663		558,967,389
41	Tharaka-Nithi	517,563,626	485,355,131		445,463,668		561,403,884
42	Trans-Nzoia	685,259,476	636,754,015		427,107,865		557,198,937
43	Turkana	966,834,859	770,739,999		526,961,505		704,903,707
44	Uasin-Gishu	796,524,510	727,164,370		474,407,171		623,694,943
45	Vihiga	714,071,318	659,816,891		487,678,963		628,658,777
46	Wajir	992,922,326	784,444,072		599,569,960		791,932,190
47	West Pokot	683,634,469	637,364,488		589,135,145		743,044,332
	Total	40,612,656,492	36,369,242,228		25,825,556,393		33,756,814,187

Dated 3rd December, 2024.



Sen. Ali Ibrahim Roba,
Chairperson,
Committee on Finance and Budget.

