



**REPUBLIC OF KENYA**

**ELEVENTH PARLIAMENT – (FIFTH SESSION)**

**THE NATIONAL ASSEMBLY**

**ORDERS OF THE DAY**

**THURSDAY, MAY 25, 2017 AT 2.30 P.M.**

**ORDER OF BUSINESS**

**PRAYERS**

1. Administration of Oath
2. Communication from the Chair
3. Messages
4. Petitions
5. Papers
6. Notices of Motion
7. Statements

**8\* . THE OCCUPATIONAL THERAPISTS (TRAINING, REGISTRATION AND LICENSING) BILL (NATIONAL ASSEMBLY BILL NO. 41 OF 2016)**

(The Hon. Leonard K. Sang, M.P.)

Second Reading

*(Question to be put)*

**9\* . THE NATIONAL POLICE SERVICE (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 43 OF 2016)**

(The Hon. Abdullswamad Sheriff Nassir, M.P.)

Second Reading

*(Question to be put)*

**10\* . THE DIVISION OF REVENUE (NO. 2) BILL (NATIONAL ASSEMBLY BILL NO. 22 OF 2017)**

(The Chairperson, Budget & Appropriations Committee)

Second Reading

*(Question to be put)*

11\*. **MOTION – REPORT OF THE MEDIATION COMMITTEE ON THE HEALTH BILL (NATIONAL ASSEMBLY BILL NO. 14 OF 2015)**

(The Chairperson, Mediation Committee on the Health Bill, 2015)

**THAT**, pursuant to the provisions of Article 113 (2) of the Constitution and Standing Order 150, this House adopts the Report of the Mediation Committee on its consideration of the Health Bill (National Assembly Bill No. 14 of 2015) laid on the Table of the House on Wednesday, May 17, 2017, and **approves** the mediated version of the Bill.

*(Question to be put)*

12\*. **THE COMPANIES (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 23 OF 2017)**

(The Leader of the Majority Party)

First Reading

13\*. **COMMITTEE OF THE WHOLE HOUSE**

- (i) The Insurance (Amendment) Bill (National Assembly Bill No. 17 of 2017)  
(The Chairperson, Departmental Committee on Finance, Planning & Trade)
- (ii) The Finance Bill (National Assembly Bill No. 16 of 2017)  
(The Chairperson, Departmental Committee on Finance, Planning & Trade)

14\*. **MOTION – ELECTION OF MEMBERS TO THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)**

(The Co-Chairperson of the Joint Parliamentary Select Committee on the Election of Members to the East African Legislative Assembly)

**THAT**, pursuant to Article 50 of the Treaty for the Establishment of the East African Community and Rule 13(5) of the East African Legislative Assembly Elections (Election of Members of the Assembly) Rules, 2017, this House adopts the Report of the Joint Parliamentary Select Committee on the Election of Members to the East African Legislative Assembly on its *consideration of the nominees for election as Members of the East African Legislative Assembly*, laid on the Table of the House on Wednesday, May 17, 2017.

*(Resumption of debate interrupted on Thursday, May 18, 2017)*

- 15\* . **THE CONSTITUTION OF KENYA (AMENDMENT)(NO. 6) BILL**  
**(NATIONAL ASSEMBLY BILL NO. 65 OF 2015)**  
 (The Leader of the Majority Party)

Second Reading

*(Resumption of debate interrupted on Wednesday, May 24, 2017- Afternoon Sitting)*

- 16\* . **THE NATIONAL COHESION AND INTEGRATION (AMENDMENT) BILL**  
**(NATIONAL ASSEMBLY BILL NO. 11 OF 2017)**  
 (The Chairperson, Departmental Committee on Justice and Legal Affairs)

Second Reading

- 17\* . **MOTION – ADOPTION OF SESSIONAL PAPER NO. 3 OF 2016 ON THE**  
**NATIONAL HOUSING POLICY**  
 (The Chairperson, Departmental Committee on Transport, Public Works & Housing)

**THAT**, this House adopt Sessional Paper No. 3 of 2016 on the National Housing Policy, laid on the Table of the House on November 15, 2016.

- 18\* . **MOTION –ADOPTION OF SESSIONAL PAPER NO. 5 OF 2016 ON**  
**NATIONAL CLIMATE CHANGE FRAMEWORK POLICY**  
 (The Chairperson, Departmental Committee on Environment & Natural Resources)

**THAT**, this House adopts The National Climate Change Framework Policy – Sessional Paper No. 5 of 2016 laid on the Table of the House on Thursday, December 20, 2016.

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**\* Denotes Orders of the Day**

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N O T I C E S

I. THE INSURANCE (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 17 OF 2017)

- 1) Notice is given that the Chairperson of the Departmental Committee on Finance, Planning and Trade intends to move the following amendments to the Insurance (Amendment) Bill, 2017 at the Committee Stage-

CLAUSE 14

**THAT** clause 14 of the Bill be deleted and substituted therefor the following new clause –

“14. Section 125 of the principal Act is amended by -

- (a) deleting the number “(1)” appearing immediately before the words “where an insurer” in the opening statement; and
- (b) deleting the word “admitted” appearing in paragraph (b)”.

- 2) Notice is given that the Member for Subukia (The Hon. Nelson Gaichuhie), intends to move the following amendments to the Insurance (Amendment) Bill, 2017 at the Committee Stage—

CLAUSES 9A AND B

**THAT** the Bill be amended by inserting the following clauses immediately after clause 9-

**9A.** Section 41 of the principal Act is amended by inserting the following new subsection (3)-

(3) The following assets shall neither be included in the capital available computation nor be used for the purposes of determining the insurer’s capital adequacy under this section-

- (a) goodwill and other intangible assets that exceed five per cent of total assets;
- (b) deferred tax income or expenses and deferred tax assets;
- (c) assets pledged to support credit facilities obtained by an insurer or other specific purposes;
- (d) assets over their concentration limits;
- (e) all credit facilities granted by an insurer and secured by its own shares;

- (f) prepayments;
- (g) one hundred per cent of fixed assets and computer equipment;
- (h) unsecured loans;
- (i) receivables from insurers;
- (j) merchandise inventory;
- (k) such other assets as may be prescribed.

**9B.** The principal Act is amended by inserting the following new section-

Admitted  
liabilities

43A (1) For purposes of this Act, a reference to admitted liabilities of an insurer in computing available capital means liabilities shown as current, contingent and prospective liabilities in the accounts of an insurer, and includes, in the case of long term insurance business, the liabilities in respect of policies of long term insurance business.

(2) For purposes of this Act, a reference to admitted liabilities does not include -

- (a) liability in respect of a share capital or reserve in lieu of capital approved by the Commissioner;
- (b) liability in respect of such matters as the Commissioner may by notice in writing direct;
- (c) tax liability arising from an un-appropriated or undistributed surplus of a statutory fund;
- (d) such other liability as may be prescribed.

(3) An insurer shall make adequate provision in the accounts for liabilities in respect of unexpired risks and outstanding or incurred claims including provision for claims incurred but not reported which shall be computed in accordance with a method approved by the Commissioner.

## II. THE FINANCE BILL (NATIONAL ASSEMBLY BILL NO. 16 OF 2017)

### 1) Notice is given that the Chairperson of the Departmental Committee on Finance, Planning and Trade intends to move the following amendments to the Finance Bill, 2017 at the Committee Stage-

#### NEW CLAUSE

**THAT** the Bill be amended by inserting the following new clause immediately before clause 2 –

Amendment of section 10 of No. 23 of 2015.

**1A.** Section 10 of the Excise Duty Act, 2013 is amended by deleting the word “annually” and substituting therefor the words “every two years”.

#### CLAUSE 4

**THAT** clause 4 of the Bill be amended in paragraph (a) by inserting the following new subparagraph immediately after subparagraph (ii) –

“(iii) by deleting the words “at the beginning of every financial year” in paragraph 2(1) and substituting therefor the words “every two years”.

#### NEW CLAUSE

**THAT** the heading to “**PART II – VALUE ADDED TAX**” be amended by deleting the words “**PART II**” and substituting therefor the words “**PART III**”.

#### CLAUSE 8

**THAT** clause 8 of the Bill be deleted.

#### CLAUSE 9

**THAT** clause 9 of the Bill be amended in paragraph (a) by -

- (a) deleting subparagraphs (i), (ii) and (iii) and substituting the following new subparagraphs –
- (i) by deleting paragraph 31 – Agricultural pest control products;
  - (ii) by deleting the word “blind” appearing in paragraph 39(1)(b) and substituting therefor the word “disabled”;
  - (iii) by deleting the following items –
    - 1102.20.00 – Maize (corn) flour;
    - 1101.00.00 – Wheat or meslin flour; and
    - ordinary bread;
  - (iv) by inserting tariff no. 9619.00.90 diapers immediately after tariff no. 9619.00.10 sanitary towels (pads) and tampons in paragraph 39 (3);
  - (v) in paragraph 63 –
    - (a) by inserting the words “equipment and apparatus” immediately after the word “goods”;

(b) by inserting the words “with a minimum bed capacity of fifty” immediately after the word “hospitals”.

(b) renumbering subparagraph (iv) as (vi); and

(i) deleting the proposed paragraph 88; and

(ii) inserting the following new paragraph immediately after the proposed paragraph 93 -

“94. Transportation of cargo to destinations outside Kenya”.

### **CLAUSE 10**

**THAT** clause 10 of the Bill be amended in paragraph (a) –

(a) by deleting subparagraph (i);

(b) by deleting subparagraph (ii) and substituting therefor the following new subparagraph

–

“(ii) by inserting the following new paragraphs immediately after paragraph 12 -

“13. The supply of maize (corn) flour, ordinary bread and cassava flour, wheat or meslin flour and maize flour containing cassava flour by more than ten per-cent in weight.

14. Taxable goods supplied to marine fisheries and fish processors upon recommendation by the relevant state department.

“15. All inputs and raw materials whether produced locally or imported supplied to manufacturers of agricultural pest control products upon recommendation by the Cabinet Secretary for the time being responsible for agriculture.

16. Agricultural pest control products.”

### **NEW CLAUSE**

**THAT** the heading to “**PART III – INCOME TAX**” be amended by deleting the words “**PART III**” and substituting therefor the words “**PART IV**”.

### **NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately before clause 16 –

Amendment of **15A.** The Second Schedule to the Income Tax Act is amended in paragraph  
Second Schedule to 24 by inserting the following new subparagraph immediately after  
Cap. 470. subparagraph (g) –

“(h) on the construction of transportation and storage facilities for petroleum products by the Kenya Pipeline Company Ltd.

### **CLAUSE 16**

**THAT** clause 16 of the Bill be amended by inserting the word “after” immediately before the expression “paragraph 24B”.

### **CLAUSE 17**

**THAT** clause 17 of the Bill be amended in paragraph (b) (ii) (b) by inserting the following proviso in the proposed subparagraph (j) -

“provided that the rate of fifteen per cent shall be extended for a further period of five years if the company achieves a local content equivalent to fifty per cent of the ex-factory value of the motor vehicles”.

**NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately before clause 18 –

Amendment of section 3 of No. 29 of 2015.

**17A.** Section 3 of the Tax Procedures Act, 2015 is amended in the definition of the term “tax decision” by deleting the number “49” and substituting therefor the number “48”.

**CLAUSE 18**

**THAT** clause 18 of the Bill be amended by inserting the words “in subsection (2)” immediately after the word “amended”.

**CLAUSE 20**

**THAT** clause 20 of the Bill be amended by deleting the words “expression “(d)” and substituting therefor the words “paragraph “(d)”.

**NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 20 -

Amendment of section 15A of No. 29 of 2015.

**20A.** Section 15A of the Tax Procedures Act, 2015 is amended by inserting the following new subsections immediately after subsection (2) –

(3)The registration of the tax representative shall be in the name of the non- resident person being represented.

(4) A person may be a tax representative for more than one non-resident person, in which case the person shall have a separate registration for each non- resident person.

(5)The Commissioner shall issue a PIN to the tax representative.

**CLAUSE 24**

**THAT** clause 24 of the Bill be amended by deleting the opening statement to paragraph (b) and substituting therefor the following new opening statement –

“(b) inserting the following new paragraph immediately after paragraph (b) –”

**CLAUSE 25**

**THAT** clause 25 of the Bill be amended -

(a) by deleting the proposed subsection (4B) and substituting therefor the following new subsection –



“(4B) The tax withheld under this section shall be remitted to the Commissioner on or before the twentieth day of the month following the month in which the deduction is made.”

- (b) in the proposed subsection (4C) by deleting the words “within fourteen days following the time the withholding was made or ought to have been made” appearing in paragraph (b) and substituting therefor the words “by the twentieth of the month following that in which the deduction was made”.
- (c) by inserting the following new subsection immediately after the proposed subsection (4C)

“(4D) A person who commits an offence under subsection (4C) is liable on conviction to a penalty of ten per cent of the amount involved”.

**CLAUSE 26**

**THAT** clause 26 of the Bill be deleted.

**CLAUSE 27**

**THAT** clause 27 of the Bill be deleted.

**CLAUSE 28**

**THAT** clause 28 of the Bill be deleted.

**CLAUSE 29**

**THAT** clause 29 of the Bill be deleted.

**NEW CLAUSE**

**THAT** the following new clause be inserted immediately after clause 29 –

Amendment of section  
69 of Cap. 131.

**29A.** Section 69 of the Betting, Lotteries and Gaming Act is deleted and substituted therefor the following new section -

Revenue to  
be paid into  
the  
Consolidated  
Fund.

**69.** Save for the taxes provided for under sections 29A, 44A, 55A and 59B, any other moneys received under this Act by or on behalf of the Board by way of fees, shall be paid into the Consolidated Fund.

**CLAUSE 35**

**THAT** clause 35 of the Bill be amended by deleting the words “section 96” and substituting therefor the words “section 96A”.

**CLAUSE 39**

**THAT** clause 39 of the Bill be amended –

- (a) in the opening statement by deleting the words “subsection 4(B)” and substituting therefor the words “subsection (4B)”;

(b) in the proviso to the proposed subsection (4C) by deleting the words “not be prosecuted” and substituting therefor the words “also be liable to prosecution”.

### **NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 39

Amendment of section 53 of No. 10 of 2012.

**39A.** Section 53 of the Kenya Deposit Insurance Act, 2012 is amended by inserting the following new subsection immediately after subsection (2) –  
“(3) The Cabinet Secretary, may under exceptional circumstances, extend the term of receivership, for a further period not exceeding twelve months”.

### **CLAUSE 40**

**THAT** clause 40 of the Bill be amended by –

- (a) deleting paragraph (a); and
- (b) deleting the words “or a county government security” in the proposed subsection (3) in paragraph (d).

### **NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 41

Amendment of section 12 of No. 25 of 2013.

**41A.** Section 12 of the Sports Act, 2013 is amended in subsection 2 by inserting the words “taxes levied under the Betting, Lotteries and Gaming Act” immediately before the word “investments” in paragraph (a)”.

### **CLAUSE 46**

**THAT** clause 46 of the Bill be amended by deleting the word “Co-operatives” and substituting therefor the word “SACCOS”.

## **2) Notice is given that the Leader of the Majority Party (The Hon. Aden Duale), intends to move the following amendments to the Finance Bill, 2017 at the Committee Stage—**

### **CLAUSE 52**

**THAT** the Bill be amended by inserting the following clause immediately after clause 51—

Amendment of section 54 of No. 9 of 2009.

**52.** The Proceeds of Crime and Anti-Money Laundering Act is amended in section 54 by deleting subsection (1A).

3) **Notice is given that the Member for Kibwezi West (Hon. (Dr.) Patrick Musimba) intends to move the following amendments to the Finance Bill, 2017 at the Committee Stage -**

**NEW CLAUSE**

**THAT** the Bill be amended by inserting the following new clause immediately after clause 25

Amendment of  
section 3 of Cap.  
131.

**25A.** Section 3 of the Betting, Lotteries and Gaming Act is amended by deleting subsection (2) and substituting therefor the following new subsection –

“(2) Before the Minister makes an appointment under this section –

- (a) he may require the person to be so appointed to declare whether he has any, and if so what, financial interest in any betting undertaking operating in Kenya; and
- (b) in the case of a member appointed under paragraphs (a) and (e) of subsection (1), he shall require the nominated members to present clearance certificates from –
  - (i) the Kenya Revenue Authority;
  - (ii) the Ethics and Anti-Corruption Commission;
  - (iii) the Directorate of Criminal Investigation;
  - (iv) the National Intelligence Service;
  - (v) the Higher Education Loans Board; and
  - (vi) a licensed Credit Reference Bureau.”

4) **Notice is given that the Member for Subukia (The Hon. Nelson Gaichuhie), intends to move the following amendments to the Finance Bill, 2017 at the Committee Stage—**

**CLAUSE 9**

**THAT** clause 9 of the Bill be amended—

(a) by inserting the following new sub-paragraph immediately before paragraph (a)(i) and renumbering accordingly—

(i) by deleting the words “as approved by the Cabinet Secretary for National Treasury” appearing in paragraph 30A;

(b) by deleting sub-paragraph (iii)(b) and substituting therefor the following new sub-paragraph—

“(b) by inserting the words “with a minimum bed capacity of thirty in the case of public hospitals and two hundred in the case of private hospitals” immediately after the word “facilities”;

(c) in paragraph (a)(iv) by deleting paragraph 89;

(d) in paragraph (b) by inserting the following new sub-paragraph immediately after sub-paragraph (ii) —

(iia) by deleting the words “as approved by the Cabinet Secretary for National Treasury” appearing in paragraph 28.

### **CLAUSE 51**

**THAT** the Bill be amended by deleting clause 51 and substituting therefor the following new clause —

Amendment of 51. The Second Schedule to the Miscellaneous Fees and Levies Act, 2016 is amended—  
Second Schedule to  
No. 29 of 2016.

(a) in Part A—

(i) by inserting the words “or Special Economic Zones” immediately after the words “Export Processing Zones” appearing in paragraph (ii);

(ii) by inserting the following new paragraph immediately after paragraph (xxi) —

(xxia) goods imported for the construction of liquefied petroleum gas storage facilities as approved by the Cabinet Secretary responsible for liquefied petroleum gas.

(b) in Part B—

(iii) by inserting the following new paragraph immediately after paragraph (v) —

(va) goods imported for the construction of liquefied petroleum gas storage facilities as approved by the Cabinet Secretary responsible for liquefied petroleum gas.

**CLAUSES 29A AND B**

**THAT** the Bill be amended by inserting the following clauses immediately after clause 29 —

Amendment of Cap.  
390.

**29A.** The Marine Insurance Act is amended by inserting the following new section immediately after section 3—

Marine cargo  
insurance defined.

**3A.** A contract of marine cargo insurance is a contract whereby the insurer undertakes to indemnify the assured, in manner and to the extent thereby agreed, against the losses incident to any movable property other than ship including money and other valuable securities.

Amendment of Cap.  
390.

**29B.** The Marine Insurance Act is amended by inserting the following new section immediately after section 16—

Insurable interest  
in marine cargo.

**16A.** A person with insurable interest in marine cargo shall place marine cargo insurance with an insurer registered under this Act unless prior exemption has been granted by the Commissioner.

**5) Notice is given that the Member for Kibra (The Hon. Ken Okoth), intends to move the following amendment to the Finance Bill, 2017 at the Committee Stage—**

**CLAUSE 9**

**THAT**, clause 9 be amended in paragraph (a), by inserting the following new subparagraph immediately after subparagraph (iii)—

(iiiA) in paragraph 66, by inserting the following new sentence immediately after the word “energy” —

“Clean cook stoves” includes clean and energy saving cook stoves with tariff number 7321, as well as their parts and raw materials that are either imported or sourced locally, provided that the stoves meet ISO/IWA 11:2012 standards of tier 2-4 for fuel efficiency, as determined by the Kenya Bureau of Standards.

THE REPORT OF THE JOINT PARLIAMENTARY SELECT COMMITTEE  
ON THE ELECTION OF MEMBERS TO THE EAST AFRICAN  
LEGISLATIVE ASSEMBLY (EALA)

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**Notice is given that the Member for Wundanyi (The Hon. Thomas Mwachugu), intends to move the following amendment to the Report of the Joint Parliamentary Select Committee on the Election of Members to the East African Legislative Assembly on its *consideration of the nominees for election as Members of the East African Legislative Assembly*–**

**THAT**, the motion be amended by inserting the following words immediately after the word “2017” –

**“subject to the deletion of recommendations 3, 5, 6 and 7 appearing on pages 16 and 17 of the Report.”**

The House resolved on Wednesday, January 25, 2017 as follows:-

- III. **THAT**, notwithstanding the provisions of Standing Order 97(4), each speech in a debate on **Bills sponsored by a Committee, the Leader of the Majority Party or the Leader of the Minority Party** be limited as follows:- A maximum of forty five (45) minutes for the Mover, in moving and fifteen minutes (15) in replying, a maximum of thirty (30) minutes for the Chairperson of the relevant Committee (if the Bill is not sponsored by the relevant Committee), and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen Minutes (15) each (if the Bill is not sponsored by either of them); and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Departmental Committee, in that order.
- IV. **THAT**, notwithstanding the provisions of Standing Order 97(4), this House orders that, each speech in a debate on a **Report of a Committee**, including a Report of a Joint Committee of the Houses of Parliament or any other Report submitted to the House, be limited as follows:- A maximum of sixty (60) minutes for the Mover in moving and thirty (30) minutes in replying, and a maximum of ten (10) minutes for any other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each; and that priority be accorded to the Leader of the Majority Party and the Leader of the Minority Party, in that order.
- V. **THAT**, notwithstanding the provisions of Standing Order 97(4), this House orders that each speech in a debate on any **Sessional Paper** shall be limited as follows: -A maximum of sixty (60) minutes, with not more than ten (10) minutes for the Mover in moving and five (5) minutes for any other Member speaking, **including** the Leader of the Majority Party and the Leader of the Minority Party and that five (5) minutes before the expiry of the time, the Mover shall be called upon to reply; and further that priority in speaking shall be accorded to the Leader of the Majority Party and the Leader of the Minority Party, in that Order.

# NOTICE PAPER

Tentative business for

Tuesday, May 30, 2017

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*(Published pursuant to Standing Order 38 (1))*

It is notified that the House Business Committee, at their last meeting, approved the following *tentative* business to appear in the Order Paper for Tuesday, May 30, 2017:-

**A. THE CONSTITUTION OF KENYA (AMENDMENT)(NO. 6) BILL**  
**(NATIONAL ASSEMBLY BILL NO. 65 OF 2015)**

(The Leader of the Majority Party)

Second Reading

*(If not concluded on Thursday, May 25, 2017- Afternoon Sitting)*

**B. THE NATIONAL COHESION AND INTEGRATION (AMENDMENT) BILL**  
**(NATIONAL ASSEMBLY BILL NO. 11 OF 2017)**

(The Chairperson, Departmental Committee on Justice and Legal Affairs)

Second Reading

**C. MOTION – ADOPTION OF SESSIONAL PAPER NO. 3 OF 2016 ON THE**  
**NATIONAL HOUSING POLICY**

(The Chairperson, Departmental Committee on Transport, Public Works & Housing)

**D. MOTION – ADOPTION OF SESSIONAL PAPER NO. 5 OF 2016 ON**  
**NATIONAL CLIMATE CHANGE FRAMEWORK POLICY**

(The Chairperson, Departmental Committee on Environment & Natural Resources)

**E. MOTION – ADOPTION OF THE TWENTY FIRST REPORT OF THE**  
**PUBLIC INVESTMENTS COMMITTEE ON THE AUDITED**  
**ACCOUNTS OF STATE CORPORATIONS**

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