

**SPECIAL ISSUE**

**Kenya Gazette Supplement No. 16 (National Assembly Bills No. 2)**



REPUBLIC OF KENYA

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**KENYA GAZETTE SUPPLEMENT**

**NATIONAL ASSEMBLY BILLS, 2020**

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**NAIROBI, 4th March, 2020**

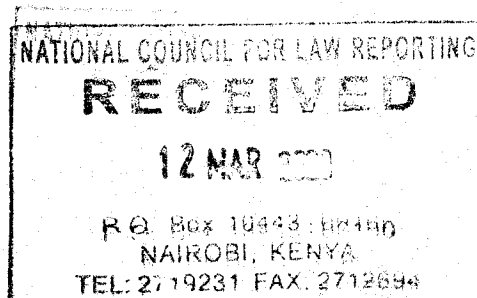
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**THE PUBLIC FINANCE MANAGEMENT  
(AMENDMENT) BILL, 2020**

**A Bill for**

**AN ACT of Parliament to amend the Public Finance  
Management Act, 2012**

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

1. This Act may be cited as the Public Finance Management (Amendment) Act, 2020. Short title.

2. The Public Finance Management Act, 2012 (hereinafter referred to as “the principal Act”) is amended in section 24 by deleting subsection (2A) and substituting therefor the following new subsection— Amendment of section 24 of No. 18 of 2012.

“(2A) Notwithstanding the provisions of subsection (1), the Parliamentary Service Commission may, with the approval of the National Assembly, establish any other Fund for the purpose of Parliament or a House of Parliament.”

3. The principal Act is amended in section 50 by deleting the word “Parliament” wherever it appears and substituting therefor the words “National Assembly”. Amendment of section 50 of No. 18 of 2012.

**MEMORANDUM OF OBJECTS AND REASONS**

The principal object of this Bill is to amend the Public Finance Management Act, 2012 to empower the Parliamentary Service Commission to establish a fund for Parliament or a House of Parliament.

The Bill further seeks to amend the Act to require the approval of the National Assembly on borrowing and guaranteeing of loans by the national government. In particular, it seeks to provide that the national government shall only borrow money for the budget approved by the National Assembly, and for allocations of loans approved by the National Assembly.

The enactment of this Bill shall not occasion additional expenditure of public funds.

This Bill does not concern county governments within the meaning of Article 110 of the Constitution.

Dated the 2nd March, 2020.

**ADEN DUALE,**  
*Leader of the Majority Party.*

*Section 24 of No. 18 of 2012 which it is proposed to amend—*

(1) There is established a fund to be known as the Parliamentary Fund.

Establishment of  
Parliamentary  
Fund and other  
national  
government  
public funds.

(2) The Secretary to the Parliamentary Service Commission shall, on the directions of the Commission, open and operate such bank accounts as may be necessary for the purposes of the Parliamentary Fund.

(2A) Notwithstanding the provisions of subsection (1), the Parliamentary Service Commission may with the approval of the National Assembly, establish any other fund for the purpose of Parliamentary or a House of Parliament

(3) Notwithstanding any other provisions of this Act, where a Fund is established under this Act or any other law for the purposes of Parliament or a House of Parliament, the Parliamentary Service Commission shall—

- (a) establish procedures and systems for proper and effective management of the monies and property of the Fund;
- (b) establish accounting procedures and systems for the Commission to properly account for the monies and property;
- (c) superintend the expenditure of the monies of the Fund to ensure that the monies are properly accounted for;
- (d) prepare and submit accounts for each financial year in accordance with the written law for the time being relating to audit for audit by the Auditor-General; and
- (e) ensure that accounts prepared under paragraph (d) comply with the provisions of this Act

(4) The Cabinet Secretary may establish a national government public fund with the approval of the National Assembly.

(5) The Cabinet Secretary shall designate a person to administer every national public fund established under subsection (4).