

REPUBLIC OF KENYA
MACHAKOS COUNTY ASSEMBLY
OFFICIAL REPORT

Monday, 17th December, 2018

Special Sitting

*(Convened via Kenya Gazette Notice
No. 12836 of 14th of December, 2018)*

The House met at 10.30 a.m.

[The Speaker (Hon. (Mrs.) Mwangangi) in the Chair]

PRAYERS

Hon. Speaker: Good morning, Hon. Members. I think there was a mix-up on the announcement. I apologize on behalf of the Serjeant-at-Arms. I don't blame them; I think the Christmas mood has set in, and even on our part. I wasn't able to make it earlier today; remember we are on recess. But let us start and see what business we can do, Hon. Members. Proceed.

COMMUNICATION FROM THE CHAIR
CONVENING OF SPECIAL SITTING

Hon. Speaker: I have a short communication and it's about the special sitting. The Special Sitting, Hon. Members, is informed by the County Assembly of Machakos Standing Order 26(1) and (2) which states that “(1) whenever during a Session, the House stands adjourned, whether or not a day has been appointed for the next meeting, the Speaker may appoint a day for a special sitting of the House (a) On request of the Leader of the Majority Party or the Leader of the Minority Party, appoint a day for a special sitting of the House; (b) On the signed request by Members not less than a third of the Membership of the Assembly, such request shall be addressed to the Speaker; and (2) The Speaker may allow a request under paragraph (1) if the Speaker is satisfied that the business proposed to be transacted is urgent or exceptional.”

Hon. Members, Section 132 (2) of the Public Finance Management Act, 2012, provides that the County Executive Committee Member for Finance shall on the same date that the revenue-raising measures are pronounced, submit to the County Assembly, the County Finance Bill setting out the revenue-raising measures for the County Government together with a policy statement expounding those measures.

(3) Pursuant to this provision, the County Executive Committee Member for Finance made pronouncements on the budget for the Financial Year 2018/2019 to the Assembly on 3rd

July 2018. The CECM, Finance, submitted a draft proposal for the Machakos County Finance Bill, 2018, on 3rd September, 2018, which was 60 days late, after making the budget highlights.

The Assembly went on long recess on 5th December, 2018 having not passed the Machakos County Finance Act for the Financial Year 2018/2019. Noting that the Finance Act is critical in financing the budget, and in consultation with the Leaders of the Majority Party and Minority Party, I have convened today as a special sitting for purposes of transacting the business of the Finance Bill.

Hon. Members, Standing Order 26(4) requires the Speaker, by notice in the Gazette, to notify the Members of the House and of the public, of the place, date and time appointed for the special sitting of the House. Accordingly, Hon. Members, this special sitting has been convened vide Gazette Notice No. 12836 dated 14th December, 2018.

Hon. Members, further, Standing Order 26(5) provides that “whenever the House meets for a special sitting under paragraph (1), the Speaker shall specify the business to be transacted on the day or days appointed and the business so specified shall be the only business before the House during the special sitting...” and as such Hon. Members, the only business that is going to be transacted in this sitting is the Finance Bill.

Consequently, Hon. Members, the business which is for consideration this morning by the House is the Machakos County Finance Bill, 2018. Thank you, Hon. Members.

PAPER LAID

Consideration of the Machakos County Finance Bill, 2018

(By the Chairperson, Finance and Revenue Collection committee, Hon. Stephen Mwanthi)

BILL

Second Reading

THE MACHAKOS COUNTY FINANCE BILL, 2018

Hon. Mwanthi: Hon. Speaker, pursuant to Standing Order 121(1), I wish to move the motion that the Machakos County Finance Bill No. 4 of 2018 be now read a second time. Thank you, Madam Speaker.

Hon. Museku: Point of order.

Hon. Speaker: We have a point of order from Hon. Museku. Hon. Mwanthi, please rest.

Hon. Museku: The Hon. Member has talked about Finance Bill No. 4 and what we have in front of us is Finance Bill No. 3.

Hon. Speaker: Is it the same thing, Hon. Steve Mwanthi?

Hon. Mwanthi: Yes, it should be Finance Bill No. 3.

Hon. Speaker: So it is as listed?

Hon. Mwanthi: Yes.

Hon. Speaker: Hon. Annastaciah Mutuku---

Hon. Mwanthi: It should be Finance Bill No. 3 of 2018.

Hon. Speaker: Just a moment, Hon. Steve Mwanthi. Hon. Annastaciah Mutuku, you were serving a sentence. Have you completed?

Hon. (Ms.) Mutuku: Yes.

(Hon. (Ms.) Mutuku spoke off record)

Hon. Speaker: What communication?

(Hon. (Ms.) Mutuku spoke off record)

Hon. Speaker: Can you leave the Chambers and come to my chambers after this with the communication you got.

Hon. (Ms.) Mutuku: Okay. Thank you, Madam Speaker.

Hon. Speaker: Hon. Steve Mwanthi, proceed.

Hon. Mwanthi: Thank you Madam Speaker and I wish to repeat. Hon. Speaker, pursuant to Standing Order 121 (1), I wish to move the motion that the Machakos County Finance Bill No. 3 of 2018 be now read a second time. Thank you Hon. Speaker. I request Hon. Helen to second.

Hon. Speaker: Hon. Helen Matei.

Hon. (Ms.) Ndeti: Thank you Madam Speaker. I stand here to second the motion.

Hon. Speaker: Thank you Hon. Matei. Hon. Steve Mwanthi... It's a long report, you have to be strong.

Hon. Mwanthi: Yes, I am, Madam Speaker.

Hon. Speaker: Can you assist him with a glass of water.

Hon. Mwanthi: I will refer Members to the report. Hon. Speaker, the enactment of the Machakos County Finance Bill, 2018 will provide a legal basis for which the County Government will collect local revenue to fund part of the Ksh. 12.23 billion Budget of the County for the Fiscal Year 2018/2019. The County will receive Ksh. 10.51 from the National Government and hopes to collect local revenue of Ksh. 1.72 Billion.

Hon. Speaker, the Executive submitted proposal of the Machakos County Finance Bill, 2018 to the Assembly on 3rd September, 2018 pursuant to Section 132 of the Public Finance Management Act 2012. The Bill was published on 28th September, 2018.

Hon. Speaker, the Machakos County Finance Bill No. 3 of 2018 was read for the first time in the House on 9th October, 2018 and committed to the Committee of Finance and Revenue Collection pursuant to Standing Order 119.

Hon. Speaker, the Finance and Revenue Collection Committee is one of the nine sectoral committees of the Assembly established pursuant to the County Assembly of Machakos Standing Orders. Standing Order 192(5)(g) defines one of the functions of a Sectoral Committee to include making reports and recommendations to the Assembly as often as possible, including recommendation of proposed legislation. In addition, the second schedule of the County Assembly Standing Orders defines the mandate of the Finance and Revenue Collection Committee to include all matters relating to the management of County public finance and revenue collection.

Hon. Speaker, the Finance and Revenue Collection Committee as currently constituted comprises of the following Honorable Members:-

- | | |
|--------------------------|--------------------|
| 1. Hon. Stephen Mwanthi | - Chairperson |
| 2. Hon. Josephat Kasyoki | - Vice Chairperson |
| 3. Hon. Betty Nzioki | - Member |
| 4. Hon. Brian Kisila | “ |
| 5. Hon. Caleb Mule | “ |
| 6. Hon. Fredrick Muthoka | “ |
| 7. Hon. Justus Kitengu | “ |
| 8. Hon. Margaret Mwikali | “ |
| 9. Hon. Moffat Maitha | “ |
| 10. Hon. Phoebe Koki | “ |
| 11. Hon. Hellen Ndeti | “ |
| 12. Hon. Grace Mutwiwa | “ |
| 13. Hon. Thomas Mutinda | “ |

Hon. Speaker, Article 196(1) of the Constitution of Kenya 2010 requires the County Assembly to conduct its business in an open manner and facilitate public participation in the legislative process. Article 209 of the Constitution gives powers to both the National and County Governments to impose taxes and charges and Article 210(1) provides that a County Government shall impose taxes and charges only in accordance to legislation. These provisions are as stated below:

1. Article 196(1) requires the County Assembly to:-
 - (a) Conduct its business in an open manner, and hold its sitting and those of its committees in public; and
 - (b) Facilitate public participation and involvement in the legislative and other business of the Assembly and its committees.”
2. Article 209(3) provides that a County may impose—
 - (a) Property rates;
 - (b) Entertainment taxes; and
 - (c) Any other tax that it is authorized to impose by an Act of Parliament.
3. Article 209(4) provides that the National and County Governments may impose charges for the services they provide.
4. Article 209(5) provides that taxation and other revenue-raising powers of a County shall not be exercised in a way that prejudices National economic policies, economic activities across County boundaries or the National mobility of goods, services, capital or labour.
5. Article 210(1) of the Constitution provides that no tax or licensing fee may be imposed, waived or varied except as provided by legislation.

Hon. Speaker, Section 132(1) and (2) of the Public Finance Management (PFM) Act 2012 provide for the County Executive Committee Member to make pronouncements of revenue raising measures for the County Government with approval of the Executive Committee and submit Finance Bill to the County Assembly. Section 132(4) of the same Act requires that the recommendations of the Executive Committee Member for Finance be considered when a report on the Finance Bill is tabled in the Assembly for approval.

Further, Section 133 of the Public Finance Management (PFM) Act 2012 provides that not later than 90 days after passing the Appropriation Bill, the County Assembly shall consider and approve the Finance Bill with or without amendments.

Hon. Speaker, Standing Order 120(1) and (3) provide that a Bill having been read for the first time to be committed to the relevant Committee. The Committee to which a Bill is committed shall facilitate public participation and shall take into account the views and recommendations of the public when the committee makes its report to the House.

Further, Standing Order 120(4) provides that the Chairperson of the Sectoral Committee to which a Bill is committed or a Member designated for that purpose by the Committee shall present the Committee's report to the House within twenty calendar days of such committal and upon such presentation, or if the Committee's report is not presented when it becomes due, the Bill shall be ordered to be read a Second Time on such day as the House Business Committee shall, in consultation with the Member or the Committee in charge of the Bill, appoint.

Hon. Speaker, the Committee discussed the Bill and also facilitated public participation pursuant to Standing Order 120(3) in all the forty wards of the County. The Committee also held a forum with the Executive Committee Member – Finance who gave his recommendations on the Bill.

Hon. Speaker, pursuant to Article 196(1)(b) of the Constitution of Kenya 2010 and Standing Order 120(3) of the County Assembly of Machakos Standing Orders, the Assembly published an advertisement in the Standard Newspaper of Wednesday, 17th October, 2018 informing the public of the venues where the public hearings in connection with the Machakos County Finance Bill, 2018 will be conducted in all the forty wards. The Assembly also made daily radio announcements on Mbaitu FM calling the public to attend the hearings for oral submissions or presentations of memoranda. The public were also called upon to send their memoranda through the Assembly email (assemblymks@gmail.com) on or before Wednesday, 7th November, 2018. Further, announcements were made in churches and other public places.

Hon. Speaker, the Committee conducted public participation in all the forty (40) wards from 30th October to 2nd November, 2018 pursuant to Article 196(1)(b) of the Constitution of Kenya and Standing Order 120 (3) of the County Assembly of Machakos Standing Orders.

The public views were as follows:-

Hawking

Hon. Speaker, that small scale hawker permit per month for peri-urban and rural areas be reduced. The proposed amounts by different wards in peri-urban areas ranged from Ksh. 50 – 200 while in rural areas the range was Ksh. 50 to Ksh. 100.

Public Lavatories

Hon. Speaker, that fees per year for modern toilets to be reduced from Ksh. 60,000 to Ksh. 30,000 for peri-urban areas and Ksh. 5,000 for rural areas. This will encourage investors in modern toilets in our markets and reduce scarcity of these amenities.

Sand Harvesting/ Transportation Cess

Hon. Speaker, the public gave different views regarding sand harvesting/transportation cess whereby some wards proposed for increase of the fees charged while others called for reduction of the fees as it was their livelihood. The proposed increase ranged from Ksh. 4,000 – 5,000 in peri-urban and Ksh. 5,000 for seven tonne lorry in urban.

Muguka/ Miraa

Hon. Speaker, the public proposed that charges be increased on Muguka/ Miraa to discourage its consumption as it had resulted to social problems in the society. The public proposed:

- (a) Transportation permit be increased to between: Ksh. 2,500 - 5,000 per day and between Ksh. 30,000 – 40,000 per month.
- (b) Boda boda transportation permit be increased to between: Ksh. 1,500 – 3,000 per day and to Ksh. 20,000 per month.
- (c) Miraa sellers permit be increased to between Ksh. 1,000 – 2,500 per day; between Ksh. 6,000 - 8,000 per month and to between Ksh. 16,000 - 25,000 annually.

Gambling Slot Machines

Hon. Speaker, Members of the public called for the banning of gambling slot machines or the charges to be high so that those operating them get out of business. The public proposed permit per month to be increased to range from Ksh. 100,000 – 200,000.

Delivery/ Parking while Offloading/ Loading

Hon. Speaker, the public observed that owners of vehicles delivering or offloading goods in the County were being discriminated by being charged higher parking fee than other vehicle owners who were paying Ksh. 50 per day for saloon car and Ksh. 500 for van. They proposed the charges be reduced to between Ksh. 50 – 100 for saloon cars, Ksh. 150 for vans/ pick-ups and Ksh. 500 for canters.

Building Plans

Hon. Speaker, the public observed that construction in the County was expensive and made the following proposals:

- (a) Application fee be reduced by half in all areas.
- (b) Approval of building plans per square foot per plan be reduced to Ksh.10 in peri – urban and to Ksh. 2 in rural areas.

Parking Places and Omnibus/ Bus parks

Hon. Speaker, the public requested that charges of omnibus up to nine passengers per day be reduced from Ksh. 150 to Ksh. 50 and omnibus up to 14 passengers to Ksh. 100 from Ksh. 200.

Licensing of Premises and Trade

Hon. Speaker, the public proposals were:

- (a) Mpesa agents operating as stand-alone businesses should have their fee lowered to between Ksh. 1,000 – 2,000 from Ksh. 4000 in peri -urban and from Ksh. 3,000 to Ksh. 1,000 in rural areas.

- (b) Other agents combined (KCB, Equity, Family, Airtel etc.) to pay between Ksh. 1,500 and Ksh. 3,000 in Peri – urban and Ksh. 2000 instead of Ksh. 8,500 in rural.

Liquor

Hon. Speaker, traders operating bars requested that all payments made to the County Government concerning the business be consolidated and paid as one charge. They also requested that the fees be reduced. Their views include:

- (a) That application / inspection fee be reduced from Ksh. 2,000 to Ksh. 1,000.
(b) That General alcoholic drink licence be reduced to Ksh. 2,400.

Control of Water Supplies

Hon. Speaker, the public proposed that clean water tankers per annum be reduced from Ksh. 20,000 to Ksh. 10,000 and per month from Ksh. 2,000 to Ksh. 1,000 to ensure most of markets in the County have supply of water at a cheaper rate.

Environment

Hon. Speaker, the views of the public include:

- (a) Penalty for smoking vehicles be Ksh. 2,000 instead of Ksh. 150,000.
(b) Penalty for littering from moving vehicle be reduced from Ksh. 15,000 to Ksh. 500.
(c) Penalty for littering from a moving vehicle collective responsibility be reduced from Ksh. 50,000 to Ksh. 5,000.
(d) Penalty for driving unroadworthy vehicle be reduced from Ksh. 200,000 to Ksh. 50,000.
(e) Penalty for urinating in undesignated places be reduced from Ksh. 500 to Ksh.100.

Health

Hon. Speaker, the public made the following proposals:

- (a) That charges for inspection health clearance and issuance of license for shop retailing (permanent) be reduced from Ksh. 2,100 to Ksh. 600.

Meeting with Executive Committee Member for Finance and Economic Planning

Hon. Speaker, the County Executive Committee Member (CECM) for Finance and Economic Planning was invited appeared before the Committee on 7th December, 2018 to give recommendations on the Finance Bill, 2018 pursuant to section 132 (4) of the Public Finance Management Act. The CECM for Finance and Economic Planning sent the Director, Revenue Collection and two other officers from the Department to represent him in the meeting. The recommendations of the CECM, Finance and Economic Planning have been considered in the Bill.

Submission of Memoranda on the Bill

Hon. Speaker, Members of the public and various organizations submitted memoranda on the Bill pursuant to Article 196 (1) (b) of the Constitution of Kenya and Standing Order 120 (3) of the County Assembly of Machakos Standing Orders. The memoranda were as follows:-

1. Kenya Association of Manufacturers (KAM);
2. Kenya National Chamber of Commerce and Industry (KNCCI) - Machakos County; and
3. Trucker Association of Kenya.

Memorandum by the Kenya Association of Manufacturers (KAM)

Hon. Speaker, the Kenya Association of Manufacturers (KAM) is an association whose membership is business organizations in the value addition industry. Its membership comprises over 100 manufacturing institutions from an array of sectors and services. The Association submitted a memorandum on the Machakos County Finance Bill, 2018 on 5th November, 2018 and also held a discussion with Committee on the same day.

The Association proposed amendments on clauses 7, 68 and 166 of the Bill to ensure that public officers did not abuse the clauses. The Association also proposed amendments to the schedule of fees and charges on sand harvesting/ transportation cess, designated parking and quarrying to ensure ease of doing business by its members.

Memorandum by the Kenya National Chamber of Commerce and Industry (KNCCI) Machakos County

Hon. Speaker, the Kenya National Chamber of Commerce and Industry (KNCCI) is the umbrella body for all business people. The Chamber of Commerce submitted memoranda on liquor licenses, open air market, motorized hawking permit and single business permits.

The Chamber of Commerce stated that prior to 2012, bar owners used to pay Ksh. 2,400 and Ksh. 4,800 for small bars and night clubs respectively. After devolution and enactment of Alcoholic Drink Control Act, the fees were increased arbitrarily in 2014 to Ksh. 50,000 and Ksh. 100,000 for small bars and night clubs respectively. The Chamber of Commerce requested for reduction of the rates as proposed in their Memorandum. Further, the Chamber of Commerce made proposals for reduction of fees and charges applicable to public markets and stalls for some selected items and for motorized hawkers.

Memorandum by the Truckers Association of Kenya

Hon. Speaker, the Truckers Association of Kenya is an Association of over 75 truck transporting SACCOs countrywide and is registered under the Societies Act. The Association proposed the following among others:-

- (i) Reduction of fees and charges applicable on transportation of goods by its trucks;
- (ii) Facing out charges per trip in favour of monthly charges;
- (iii) All trucks operating in the County to belong to a SACCO; and
- (iv) Trucks to operate for 24 hours.

Committee Observations and Recommendations

Hon. Speaker, the Committee considered the views of the public collected during public participation, submissions of the CECM – for Finance and Economic Planning and the Memoranda submitted by various bodies. Based on these views, the Committee makes the following recommendations to be considered by the House during the Committee of the Whole House to amend the Bill:-

Clauses

(a) Clause 7 of the Bill states that:-

“A person who, fails to maintain in good repair and maintenance of advertising device in a proper and safe condition any advertising device commits an offence.

This provision is aimed at protecting the public from hazardous advertising devices. It charges the owners of the devices with the responsibility of maintaining them and ensuring that they don't pose any danger to the public.

On the proposal by KAM to delete this clause due to the possibility that it will be abused by public health officers, the Committee was of the view that the remedy for abuse of a legal instrument is not deletion but the strengthening of the strategy to implement it. To this end the Committee recommends that the executive puts in place policies and regulations to ensure proper implementation.

(b) A new clause 68 (c) be inserted in the Bill

The Committee also considered KAM's proposal that a new paragraph be introduced to clause 68 to the effect that approval plans seeking extension of a building plan that has not commenced or completed shall not be charged or attract additional charges. This will contradict part 9 of the Second Schedule of the Bill which requires payment of fees for the renewal of building plans. The fees are necessary to cover any costs the government will incur in doing the renewals.

(c) A new clause 166 (5) be inserted in the Bill

KAM proposed that a new clause 166 (5) be inserted stating that an authorized officer shall release free of charge vehicles that may be impounded outside the law by County enforcement officers. This, they argue takes care of officers who may impound vehicles just to attract any bribery from owner of the vehicle. A provision framed as proposed by KAM will be unnecessary. It will be stating the obvious that someone cannot be penalized where there has been a wrongful action by the county government.

Hawking

Hon. Speaker, the Committee observed motorized hawkers were able to move to where customers were thus able to sell more as compared to traders in fixed premises. The proposal by the KNCCI for reduction of motorized hawking fees was considered but the Committee did not adopt it. The Committee recommended that:

- (a) Small scale hawker permit per month be reduced to Ksh. 200 for peri – urban and Ksh. 100 for rural.

Public Lavatories

Hon. Speaker, the Committee observed that several toilets constructed by the County Government were closed for lack of water or personnel to clean them. The Committee proposed to lower leasing fees to encourage traders to lease them and charge some fee for use by the public despite the Executive stating that they wanted the toilets to be free.

The Committee further observed that Eco toilets constructed in the County were not earning the County any revenue and proposed some fees to be charged on them.

The Committee recommended:

- (a) That lease per year for modern toilets be reduced to Ksh. 10,000 for peri-urban and Ksh. 5,000 for rural.
- (b) That operators of public toilets (eco toilets) within the County to pay Ksh. 10,000 in urban and peri-urban and Ksh. 5,000 in rural.

Non-Motorized Transport (Fees and charges on products)

Hon. Speaker, the Committee recommended that:

- (a) Fees and charges for hand carts per month be reduced to Ksh. 100.

Sand Transportation

Hon. Speaker, the Committee noted that the House had approved report banning sand harvesting in the County on 21st November, 2018 tabled by the Committee on Justice and Legal

Affairs and Committee on Environment, Energy, Lands and Natural Resources for a period of one year. This was to enable the County Government to rehabilitate rivers that have been destroyed by sand scooping.

The Committee agreed to have penalty charges for sand harvesting without permit. The Department of Finance and Economic Planning, Department of Environment, Energy and Natural Resources and National Environmental Management Authority (NEMA) should not issue permits during the suspension period.

The Committee recommended that:

- (a) Penalty for sand harvesting without permit be Ksh. 100,000 per lorry.
- (b) Delete all charges relating to sand permit.
- (c) Pink and white soil be charged the same amount and rates of red soil be applied.

Muguka/ Miraa

Hon. Speaker, the Committee observed that several wards had proposed for the banning of the sale of Muguka/ Miraa. The Committee noted that banning of the consumption of the product would strain relationship with neighboring Counties of Embu and Meru and proposed for its regulation.

The Committee recommended that:

- (a) Miraa Transportation and sellers permit per day be deleted. It is difficult to monitor daily charges and this encourages revenue leakages.
- (b) Miraa sellers permit per month be reduced to Ksh. 2,000.
- (c) Miraa sellers permit per annum be increased to Ksh. 10,000.
- (d) Designate a place/ building in each market for selling miraa. This will help regulate the sale of the product and reduce chances of the product being sold to minors.
- (e) Traders for miraa to pay Health certificate of Ksh. 1,000 p.a.

Gambling Slot Machines

Hon. Speaker, the Committee observed that several wards proposed that gambling slot machines be banned because of the negative social effects they had to the society. The Committee noted that the machines were still thriving despite a directive to confiscate and burn them by the Cabinet Secretary for Interior and Coordination of National Government, Dr. Fred Matiang'i. The Committee recommended the following in a bid to reinforce this ban.

- (a) That gambling slot machines be banned in the County and issuance of permits stopped.
- (b) That penalty for operating gambling slot machines be charged at Ksh. 100,000.
- (c) That penalty for renting premises to gambling slot machine traders be charged at Ksh. 20,000.

Parking

Hon. Speaker, the Committee noted that parking for vehicles had been omitted in the Bill and proposed for its inclusion. The Committee observed that people working in Nairobi parked their vehicles in Machakos especially around Mlolongo area for a whole day because parking fee is low. The Committee also noted that parking fee in the County is low and not economical to deploy staff to collect it thus it needed to be enhanced. The Committee also proposed for inclusion of fees for traders in product distribution business and those delivering goods in the County. The Committee declined proposal by KAM to delete offloading/ delivery fees.

The Committee recommended that:

- (a) Parking fees be inserted in the schedule of fees and charges of the Bill as follows:-
 - (i) Saloon car: Ksh. 100 per day and Ksh. 10,000 per year.

- (ii) Pick up: Ksh. 100 per day and Ksh. 10,000 per year.
- (iii) Canter: Ksh. 200 per day and Ksh. 15,000 per year.
- (iv) Lorry/FH: Ksh. 500 per day and Ksh. 20,000 per year.
- (v) Trailer: Ksh. 500 per day and Ksh. 25,000 per year.
- (b) Distribution / offloading fees for saloon car per day be Ksh. 200.
- (c) Distribution / offloading fees for saloon car per year be Ksh. 5,000.
- (d) Distribution / offloading fees for pick up/ van per year be reduced to Ksh. 8,500.
- (e) Distribution / offloading fees for canter per year be reduced to Ksh. 15,000.
- (f) Insert distribution / offloading fees for lorry/FH per day at Ksh. 850 and per year at Ksh. 20,000.
- (g) Registration for Matatu/ Mini bus/ Tuk tuk/ Maruti be reduced to Ksh. 1,250 per year.
- (h) Separate registration of motorcycles from that for Matatu/ Mini bus/ Tuk tuk/ Maruti and be charged Ksh. 200 per year.

Building Plans

Hon. Speaker, the Committee recommended that:

- (a) Application fee be reduced to Ksh. 1,500; Ksh. 1,000 and Ksh. 500 in urban, peri-urban and rural areas respectively.
- (b) Approval of building plans per square foot per plan be reduced to Ksh.10 in peri-urban and to Ksh. 2 in rural areas.
- (c) Delete annual safety inspection and compliance per commercial building. This is a new charge that has been introduced and is prone to abuse and double taxation.
- (d) Delete annual safety inspection and compliance per residential, offices building.
- (e) Perimeter fencing per 1/8 acre plot be reduced to Ksh. 2,000; Ksh. 1,000 and zero for urban, peri-urban and rural respectively.
- (f) Boundary wall per 1/4 acre and below be reduced to Ksh. 4,000; Ksh. 2,000 and zero for urban, peri-urban and rural respectively.
- (g) Boundary wall more than 1/4 acre to 2 acres be reduced to Ksh. 6,000; Ksh. 3,000 and zero for urban, peri-urban and rural respectively.
- (h) Boundary wall above 2 acres be reduced to Ksh. 10,000; Ksh. 4,000 and zero for urban, peri- urban and rural respectively.

Parking Places and Omnibus/ Bus parks

Hon. Speaker, the Committee observed that collection of revenue per day from Public Service Vehicles (PSVs) was expensive and was not easy to monitor thus leading to revenue leakages.

The Committee recommended:

- (a) Deletion of all daily charges for the vehicles and introduce monthly charges with a sticker payable between the 1st and 5th day of every month. This will enhance revenue collection, monitoring and reduce leakages of revenue.
- (b) All permits to expire on 30th day of every of the month.
- (c) Omnibus up to eight passengers to pay Ksh. 1,000 per month.
- (d) Omnibus of 9 – 14 passengers to pay Ksh. 3,500 per month.
- (e) Omnibus of 15 - 33 passengers to pay Ksh. 7,000 per month.
- (f) Omnibus of 34 - 42 passengers to pay Ksh. 10,000 per month.
- (g) Omnibus of 43 and above passengers to pay Ksh. 13,000 per month.

Licensing of Premises and Trade

Hon. Speaker, the Committee noted that application fee for small scale business had been omitted in the Bill and proposed for its inclusion.

The Committee recommended that:

- (a) Application fee for small scale business be inserted in the schedule of fees and Charges as follows: Ksh. 600 for urban, Ksh. 300 for peri-urban and Ksh. 200 for rural.
- (b) Mpesa agents' fees be reduced to Ksh. 3,500 for peri-urban and Ksh. 2,500 in rural.
- (c) Mpesa and other agents fees combined (Equity, KCB, Family, Airtel etc.) to pay Ksh. 8,500 for urban and peri-urban and Ksh. 6,000 in rural.

Learning Institutions

Hon. Speaker, the Committee recommended that:

- (a) Penalty for school bus driven after 6.59 p.m. be deleted as it is the role of NTSA.
- (b) Counseling fees for school life skills, fire safety, and juvenile delinquency resolution per training per school per term / semester be deleted.

Business Permits

Hon. Speaker, the Committee observed that the 3 percent interest rate charged to traders who paid SBP late was too little to discourage traders from defaulting payment. The Committee also noted that the KNCCI had proposed deletion of penalty of Ksh. 20,000 as it was too punitive. The Committee also noted that there was need for traders to pay for SBP early to assist the County to budget and made the following recommendations.

- (a) That penalty for non – payment of single business permit by 30th March be amended to be at 25% of the SBP instead of Ksh. 20,000.
- (b) Delete interest rate per month (cumulative) of 3% of SBP.

Quarrying

Hon. Speaker, the Committee observed that quarrying contributed to air pollution in the environment and cases with persons suffering from Asthma have been on the rise. Further, the Committee observed that the County needed to realize value for money from its natural resources and be able to put up sustainable infrastructure such as roads, schools and health facilities.

The Committee declined to adopt the proposals of KAM as the County needed to realize enough revenue from its natural resources.

The Committee recommended that:

- (a) Quarry cess for ballast and other crushed materials for semi-trailer per trip be reduced to Ksh. 3,000.
- (b) Quarry cess for ballast and other crushed materials for triple axle per trip be reduced to Ksh. 2,800.
- (c) Quarry cess for ballast and other crushed materials for lorry above 8 tons per trip be reduced to Ksh. 2,500.
- (d) Quarry cess for ballast and other crushed materials for lorry of 8 tons and below per trip be reduced to Ksh. 1,500.
- (e) Delete penalty due to social cost of harmful behaviour and not adhering to payment which are basically used for environmental, health, pollution (noise and air) and safety management at quarries.
- (f) Deletion of penalty due to social cost of harmful behaviour and not adhering to payment which are basically used for environmental, health, pollution (noise and air) and safety

management at quarries since cess per trip per lorry has been enhanced to cater for the same.

Liquor

Hon. Speaker, the Committee observed that the public as well as the KNCCI had proposed for reduction of fees and charges applicable to liquor. The Committee was also aware that liquor consumption was a luxury and at times contributed to negative social effects in the society. The Committee agreed with some of the proposals by the KNCCI but also enhanced some charges where it found they were not consistent with liquor sales volume.

The Committee recommended that:

- (a) Penalty for non-payment of liquor license be reduced to Ksh. 20,000.
- (b) Night club charges be inserted in the schedule of fees and charges and be charged Ksh. 70,000 in urban; Ksh. 25,000 in peri urban and Ksh. 8,000 in rural.
- (c) Hotel alcoholic license to be Ksh. 40,000; Ksh. 20,000 and Ksh. 8,000 for urban, peri – urban and rural respectively.
- (d) Restaurant alcoholic license to be Ksh. 25,000; Ksh. 15,000 and Ksh. 8,000 for urban, peri – urban and rural respectively.
- (e) General retail alcoholic drink license bar be reduced to Ksh. 25,000 in peri – urban and Ksh. 12,000 in rural.

Control of Water Supplies

Hon. Speaker, the Committee recommended that:

- (a) Clean water tankers permit per month be increased to Ksh. 3,500.

Environment

Hon. Speaker, the Committee recommended that:

- (a) Compensation for social cost of harmful behaviour and not adhering to payment which are basically used for environmental, health, pollution (noise and air) and safety management to community by cement and other polluting entities per annum be reduced to Ksh. 10 million.
- (b) Delete penalty for smoking vehicle.
- (c) Penalty for littering from a moving vehicle individual responsibility be reduced to Ksh. 500.
- (d) Delete penalty for littering from a moving vehicle collective responsibility.
- (e) Delete penalty for driving unroadworthy vehicle.
- (f) Delete penalty for driving vehicle without working lights.
- (g) Penalty for urinating in undesignated places be reduced to Ksh. 100.
- (h) Penalty for smoking in undesignated places be reduced to Ksh. 200.

Health

Hon. Speaker, the Committee recommended that:

- (a) Charges for inspection health clearance and issuance of license be reduced as follows:-
 - (i) Food wholesalers - Ksh. 2,000.
 - (ii) Shop retailing (permanent) - Ksh. 1,500.
 - (iii) Shop retailing (Semi permanent/ kiosk) - Ksh. 500.
 - (iv) Restaurant/ Eating house Ksh. 2,000.
 - (v) Lodging rooms for accommodation - Ksh. 3,000.
 - (vi) Cottage - Ksh. 3,000.

- (vii) Bear depot - Ksh. 5,000.
- (viii) Soda depot/ container - Ksh. 3,000.
- (ix) Food warehouse - Ksh. 3,000.
- (x) Butchery - Ksh. 1,800.
- (xi) Proprietary/ Member Club - Ksh. 2,000.
- (xii) Bar - Ksh. 2000.
- (xiii) Canteen - Ksh. 1,000.

General Recommendations

Hon. Speaker, the Committee makes general recommendations as follows:-

1. That all payments to the open air market be done at the gate instead of inside the market stalls.
2. Service delivery in the market be improved by construction of market toilets with running water, construct drainage at cabbage collection area, complete roofing the stalls and install a tank for water harvesting and relocate wholesale market due to unfair competition with the retailers.
3. That all trucks operating within Machakos County must belong to a SACCO for easy monitoring and ease of revenue monitoring.
4. That the truckers should be allowed to operate for 24 hours in line with 24 hour economy and that Machakos County Sand Harvesting Act, 2014 be amended to provide for 24 – hour operations.
5. That the County Government in consultation with traders to mark business premises in Machakos town to ensure easy identification and location and encourage the traders to install security lights and CCTV cameras in their premises to enhance security.
6. That the Department of Finance and Economic Planning should not issue sand harvesting and transportation permits during the period when suspension of sand harvesting is in force as per the report of Joint Committees of Justice and Legal Affairs and Environment, Energy, Land and Natural Resources tabled in the House on 21st November, 2018.

Hon. Speaker, the Committee is grateful to the Office of the Speaker and that of the Clerk to the County Assembly for the support accorded during the Committee sittings and facilitating the Committee to retreat. The Committee further acknowledges the valuable input given by the Honorable Members of the Assembly at different meetings held with them.

The Committee further appreciates the County Executive Committee Member for Finance and Economic Planning for his submission and recommendations to the Bill. The Committee is thankful to the Kenya Association of Manufacturers (KAM), the Kenya National Chamber of Commerce (KNCCI), Truckers Association of Kenya and all members of the public for submitting memoranda and giving valuable views on the bill during public participation.

I wish to express my appreciation to the Honorable Members of the Committee who sacrificed their time to participate in the activities of the Committee and in preparation of this report.

It is therefore my pleasant duty and privilege, on behalf of the Committee on Finance and Revenue Collection to table this report on the Machakos County Finance Bill, 2018 in this Honorable House for consideration and adoption. Thank you Hon. Speaker,

Hon. Speaker: Thank you, Hon. Steve Mwanthi. Hon. Members I now propose the question.

(Question proposed)

Hon. Members, that is an invitation to you to discuss the report that has just been presented to you. Hon. Dominic Ndambuki.

Hon. Ndambuki: Thank you Hon. Speaker for the opportunity to contribute to the motion and I would like to thank the chair for finance for bringing to the House the lengthy report that is well written and that is clear. However Madam Speaker, I want to make some proposals for amendments and Madam Speaker, I would like to draw the attention of the House to page number 16. Madam Speaker, 4.6 talks about *muguka/miraa* and Madam Speaker, it is in this House that we had a motion that talked about regulation of *muguka/miraa* in Machakos County and where we looked at the adverse effects of the consumption of the two substances.

Hon. Speaker, it is my opinion that by deleting the proposals that had been given by our people on the fees that should be levied, then we will be encouraging the consumption of *muguka/miraa* in the county and Madam Speaker, if these two substances continue to be consumed in the county Madam Speaker, there are dangers that we know.

My proposals are that the proposals that had been given by wananchi for example in my area, we had proposed that daily fees for bodaboda transporters of *muguka/miraa* should be Ksh. 3,000, Madam Speaker, if that could be retained, we would be regulating consumption of this substance that has adverse negative effects on our people. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Ndambuki, Hon. Matee.

Hon. (Ms.) Ndeti: Thank you, Madam Speaker. I am a member of the committee but I also stand to contribute as follows on quarrying; my feeling is that this cess we are getting from quarries in our county should not be reduced because these materials are our gold as a county and we should not reduce the charges. They should go up so that we increase our total revenue collection for the county.

Secondly, on gambling machines, I think we should not have come up with any permit charges because these gambling machines are the same machines that are getting our children out of school and anything that can be done to ensure that our children do not get distorted in their studies should be done away with.

My other contribution is, I am happy that all stakeholders were consulted and they had their input in coming up with the Finance Bill. On building plans, I think I am happy that the charges have been reduced on building plans because I do not think we have got enough housing in Machakos and by reducing these charges, this will encourage investors to come and construct houses that will also attract people from other counties to come and live in Machakos. And it is also in line with agenda four of our National Government. I think I am through, thank you.

Hon. Speaker: Thank you, Hon. Matee, Hon. Majority Leader Mark Muendo.

Hon. Muendo: Thank you, Hon. Speaker. Let me also applaud the Committee of Finance under the chairmanship of Hon. Stephen. Madam Speaker, my concern is the approval of building plans that is on page 18 on top you see (b) yes, we have reduced this per square foot that is on 10 in urban. Madam Speaker, I am wondering in the rural areas for example, when you talk about Ekalakala or Kibauni how will the government of Machakos control these approvals in the rural areas whereby you know our people are very poor because I can see two shillings per square foot.

Hon. Speaker, I would like to put some amendment to zero rate in these rural areas because it is an opening now, the Government of Machakos, the people who normally collect our

revenue, will harass our people in rural areas. I do not think we are going to get much out of two shillings anyway per square foot because most of the people there in our rural areas do not even understand, unless we do public participation. They do not know whether when they are putting their small hut or our young boys when they are putting their first house, the small hut, whether they are supposed to pay something. I think to our people in the rural areas, because when you look at our county it is diverse, there are some areas you are going to mention, like Kalawa, those areas it will be a problem Madam Speaker.

The other concern Madam Speaker, as I was going through this document on page 19 on business permits, I do not know whether I am lost or the committee was not serious on this because we are not seeing our industries. I would like the chair maybe to point out where are the industries because we have a lot of industries in Machakos and in the document I have not seen anywhere permits for the industries and Madam Speaker, these industries unless our county puts high charges on permits because one, they normally pollute our environment, second they employ people from Nairobi, they do not employ our local people, we must impose very high charges on these industries. Some of them like our cement factories here, do not even help us but they normally get a lot of money out of materials locally here.

The other thing Madam Speaker, which I have not seen on the permits, is the advertisements; most of the companies here are blocking our roads doing advertisements on big billboards and they are charging those customers who advertise on their behalf very high because to put a billboard like the ones you are seeing in junction, Kyumbi, one might cost even a month more than two million and we are not charging anything. So we are losing a lot of revenue Hon. Speaker. To me I think also we have construction equipment which are all over in our county and those construction equipment I have not seen anything in this Bill because contractors are making a lot of money---

Hon. Speaker: Point of information from Hon. Helen Matee. Hon. Mark Muendo, kindly take the information.

Hon. (Ms.) Ndeti: Thank you, Madam Speaker. I would like to inform the member that our chairman for the Finance Committee did not read everything but the charges he is talking about are in the yellow document.

Hon. Speaker: I had a similar thinking Hon....thank you, Hon. Matei. Hon. Mark Muendo I think what the chair for Finance Committee did was to give some highlights but I appreciate that some highlights are more highlights than others. So what you need to do is take note of is what is the concern now because you are going into the Committee of the Whole House and everything that you feel is not taken into account you will raise it there. Are we in agreement? Hon. Museku what do you want to do? You raise up your hand and you are quiet.

Hon. Museku: Point of information. I think the report by the chair of Finance is more on the exceptions. It is more on the items where the committee sat down and had a different view from what had been put here and the majority of the things which had been proposed and the committee agreed with them did not come in this report. So the report is more of the exceptions where they are saying increase from this to this or reduce from this to this. But for the others, because there are many other items in this report, I think the important thing is that the committee should have put a clause that all other charges remain as proposed by the County Executive and by the Finance Department.

Hon. Speaker: Thank you, Hon. Museku. Hon. Majority was still on his feet.

Hon. Muendo: Yes, thank you, Hon. Speaker. My concern Hon. Speaker, is when we leave the industries; when we are talking about these small traders we still forget. Okay, I know it is actually in the yellow booklet but it is very important in future to highlight and also this Assembly most of the time when we are talking about the permits we must lie much on our industries.

These industries we have forgotten them and actually they can even support the county. The moment we talk about the *mama mboga* is when we have concern; we have forgotten we have the largest number of industries in Kenya. These industries can support our county and that is why I am saying the committee could have put factory fees here and the charges and then we see. But if it is in the yellow booklet, there is no problem Madam Speaker.

Hon. Speaker: What Hon. Majority you are saying is that looking at the industries that we have, particularly in Mavoko Sub-County, it is such an important source of revenue for the county that it ought to have been highlighted in the report and I agree with you, just like they highlighted on the issue of *miraa* and *muguka* because of what it is doing to the population, and I think that message is driven home to the committee and that is for purposes of the next report. For the time being, we deal with it as it is. Hon. Mark Muendo proceed.

Hon. Muendo: Thank you, Madam Speaker. The other issue Madam Speaker is when we reduce the cost of cess in these quarries. Madam Speaker, I would like to propose we should not reduce the cess fee on our quarries around here. Madam Speaker, it happens that I come from one of the wards that have got a lot of quarries---

Hon. Speaker: Point of information, Hon. King'ori. Hon. Majority take your seat briefly.

Hon. Kingo'ri: Thank you Madam Speaker. Maybe it is a mistake on reporting because we have not reduced. What happened is that it was increased but not reduced because before it was Ksh. 850 and now it is Ksh. 1500. Before it was Ksh. 1800 today it is Ksh. 2800.

Hon. Speaker: So there has been an increment? Do you confirm that, Hon. Steve Mwanthi, as the chair?

Hon. Mwanthi: Yes Madam Speaker. What happened is that in fact, we used to charge Ksh. 850 before---

Hon. Speaker: In your report is there a mistake?

Hon. Mwanthi: No, there is no mistake. What happened, you see from the yellow one that we have, we have Ksh. 3,000. It is true but before, we used to collect Ksh. 850 and now it is from Ksh. 850 to Ksh. 2500, only that the recommendation is that we change this one from Ksh. 3,000 we reduce to Ksh. 2500.

Hon. Speaker: So that is what the Hon. Majority is saying that you ought to have gone as per the proposal by the Executive.

Hon. Mwanthi: As per the Ksh. 3,000? Okay.

Hon. Speaker: That is what he is saying.

Hon. Muendo: Thank you, Madam Speaker. I know what I am talking about. I know it has come from Ksh. 3,000 to Ksh. 2500, Madam Speaker. I am saying we do not need to reduce that because when you look at our roads Madam Speaker, they are damaged by these lorries; they normally even make noise throughout the night. We do not sleep and these people are making money. There is no way we are going to protect people who are ferrying ballast from Mlolongo all the way to Nairobi, and let us also Madam Speaker, consider how much they sell.

I am in the construction industry; how much do they sell to a 29 ton truck and how much are they buying from the quarries? When you compare buying from the quarries, it is about Ksh. 19,000 and they are selling that at Ksh. 42 000. Really? That is per trip. Really, Ksh. 3,000 is nothing. Madam Speaker, if we keep on reducing this quarry cess, we are going to damage our roads; we are not going to even repair our roads. Madam Speaker, most of the people who normally do this business of quarry are not our local people. It is Indians and also most of the people who do the transport---

Hon. Speaker: Indians are local people; most of them.

Hon. Muendo: Thank you. Not local from our county---

Hon. Speaker: There are quite a number here; they are part of us.

Hon. Muendo: Thank you for that correction but I am saying really, most of the people that benefit much do not spend that money in our county so we do not have what we call plough back. So Madam Speaker, when we come to the cess, I would propose we leave it at Ksh. 3,000 because with that cess, in future we are going to put our roads in order. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Majority. I am expecting some motion to be moved. Hon. Museku? Not contributing. You need to take us to the direction we want to go from here. I know we are supposed to seek an extension of time before noon and I can see it is noon and the other time, Hon. Ndawa was raising an issue that the motion was coming after noon; one minute after noon.

Hon. Museku: Thank you, Madam Speaker. I stand under Standing Order 27 which talks of days and hours of meeting and which states that, "unless for the convenience of the House or the Speaker, or the Chairperson (as the case may be) directs earlier or later interruption of the house business, at 6.30 p.m., the Speaker of Chairperson of committees shall interrupt the business then under consideration and if the House is in Committee of the Whole House, the Chairperson shall leave the Chair and report progress and ask leave to sit again.

Madam Speaker, the House hours are designated as 10.00 a.m. to 12.30 p.m. and 2.30 p.m. to 6.30 p.m. I therefore wish to move the motion that this Hon. House extends its sitting beyond 12.30 p.m. to enable it complete the business on hand. I call upon Hon. Peter Mutiso to second my motion.

Hon. Speaker: Hon. Peter Mutiso

Hon. P.J. Mutiso: Thank you, Madam Speaker. I second the motion.

Hon. Speaker: Thank you, Hon. Peter Mutiso. Hon. Betty you want to contribute on that motion to extend time? You have already decided time is extended. Hon. Members,... Hon. Minority you want to contribute on the motion to extend time? Please proceed.

Hon. Kamitu: Thank you, Madam Speaker. This is a very important Bill and I stand here to contribute that we extend the hours. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Minority Kamitu. Hon. Members, the motion to extend time is allowed so that you can complete the business that is on the table because it is a critical business. So we continue with the debate on this motion. Hon. Johanna.

Hon. Munyao: Thank you, Madam Speaker. I stand to applaud the good work done by the Committee on Finance I would like to just point out just two issues, one on page 16 (4.7a) which bans the gambling slot machines but the (c) of it gives some penalty for renting premises to gambling slot machine traders to be charged Ksh. 20,000.

So if we ban, we can go ahead and give some penalty for traders who rent premises for gambling machines because in a way that is also allowing. We are banning and at the same time allowing.

Hon. Speaker: Point of information Hon. Johanna from Hon. King'ori.

Hon. King'ori: Thank you, Madam Speaker. I want to inform the member that the penalty must be there for discipline action. It is only for the disciplinary action. Even if you allow somebody to work at your premises, you should be also be penalized for doing the same. That is a crime. Thank you, Madam Speaker.

Hon. Speaker: Hon. Johanna had you completed?

Hon. Munyao: Not yet Madam Speaker.

Hon. Speaker: Point of information on the same point? Further information? Do you, Hon. Kalumu, take it that Hon. Johana is not informed sufficiently or it is a different---

Hon. Kalumu: Yes, it is the same but different.

Hon. Speaker: Same but different? Let us hear it; same but different.

Hon. Kalumu: Madam Speaker, the reason why I have raised this point of information is when the machines were banned, there were some people who were renting back houses and then the machine is locked inside. When you come, it is opened and then you enter and play whatever you want to play. That is why this fee is there.

Hon. Speaker: Alright, thank you Hon. Kalumu. Hon. Johanna.

Hon. Munyao: Thank you, Madam Speaker. I stand informed. the next is on page 21 on control of water supplies. Madam Speaker, water is life and our wish is that everyone has access

to clean water. I can see a recommendation where clean water tankers permit per month is increased to Ksh. 3500. I want to imagine that by increasing such permits, the service water providers who are using such tankers are likely to transfer the same cost to the consumers. So I am proposing we retain the earlier proposed Ksh. 2000 because that is likely to also increase or also punish the water consumers if we increase the permits for clean water tankers. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Johanna. Hon. Winnie Mutua.

Hon. (Ms.) Mutua: Thank you, Madam Speaker. I want to applaud the committee for the good work that they have done and also emphasis on 3.2.12 about the environment. It is like we have gone reducing most of the things because there will be a lot of lawlessness when it comes to reduction of some things here and also like (d) penalty for driving unroadworthy vehicle to be reduced from Ksh. 200,000 to Ksh. 50,000.

First of all we should not be talking about driving of unroadworthy vehicles in Machakos County because of the increase of the road carnages. In the past, we have seen a lot of accidents have been happening in our county so what I was think is we should cancel the penalty for driving unroadworthy vehicle we say that we should not have unroadworthy vehicles on our roads to reduce the death cases that we have been having.

The other thing is the penalty for urinating in undesignated places be reduced from Ksh. 500 to Ksh. 100. I think we care about our environment and we need to keep our environment worthy for all the people because of the air that we breathe. So I think we should also increase these penalties so that we may not have lawlessness in our county. Thank you

Hon. Speaker: Thank you, Hon. Winnie. Hon. Ndawa.

Hon. Ndawa: Thank you, Madam Speaker. I also wish to give my input on this and I will start by congratulating the Chairperson and the Committee for such a good and elaborate Bill. In fact, this is the best which has ever been tabled in this House. Madam Speaker, apart from being politicians, we are also businessmen we conduct business; we have relatives who do business and Madam Speaker, looking at the Bill before us, it is friendly. It is a business-friendly Bill because it is not exploiting our traders and I believe if we pass this Bill and if it is implemented well, we will have reduced a lot of noise which is normally there especially when it comes to issues of licenses.

The only two issues that I have Madam Speaker, is on page 20 on liquor. Madam Speaker, about liquor, the recommendations are excellent; the only problem I have is about the Liquor Licensing Boards. Who appoints these boards because we may pass this Bill and when they are implementing, they do not follow the Bill. As we talk Madam Speaker, inspection is going on for bars and those officers who are conducting the inspection are charging each bar Ksh. 5,000 and if you do not part with Ksh. 5,000---

Hon. Speaker: Point of information Hon. King'ori.

Hon. King'ori: Madam Speaker, I want to inform the Hon. Member there is an Alcoholic Act, 2014, which was passed in this Assembly and is in force so the only thing we are lacking Madam Speaker are the regulations for the working environment. There is an Act which speaks about regulations on performance of all the County Assemblies (???) and we should be guided by it. Madam Speaker, I wish to ask for those regulations to be brought to the House so

that we can pass them and make them an Act so that what Hon. Ndawa is asking should be regulated by law. Thank you, Madam Speaker.

Hon. Ndawa: Thank you, Madam Speaker. And thank you, my colleague for that information. If the regulation is there and it is not followed, it means what was passed had to be notes, not a regulation, so it is the high time this House requests for those regulations we go through them and ensure that we adhere to the spirit of the regulations.

Madam Speaker, I was saying I have a problem with the Liquor Licensing Board because I do not know when they were constituted, when they are expiring and who appoints, who is the appointing authority, because in Yatta, we have that problem that every bar is supposed to part with Ksh. 5,000 and if you are not parting with it, you are threatened that you will not be in business come next year.

Madam Speaker, on page 21, I want to agree with the committee, that is (d) in the committee's recommendations that the penalty for driving unroadworthy vehicles and also the other point (f) I want to agree with them on the basis that---

Hon. Speaker: Hon. King'ori.

(Hon. King'ori withdrew from the House)

Hon. Speaker: Hon. Ndawa proceed.

Hon. Ndawa: Thank you, Madam Speaker. In fact this committee seems to know what belongs to the county and what belongs to the national government. In fact the two recommendations prove to me that they have separated what belongs to the county and what has not been devolved. So I want to agree with the committee and request the House, let us pass this Bill because it is business-friendly. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Ndawa. Hon. Museku

Hon. Museku: Thank you, Madam Speaker. First of all again to the chair, Finance and your team, congratulations for a job well done. I think the report is conclusive and it gives a lot of insight into the changes required for us to be able to implement the rates that we want charged to our people in the county. Page 18, Madam Speaker, I just wanted to highlight on something important on the issue of PSV vehicles. You can see the committee has recommended, Madam Speaker, that the daily charges be removed and that a specific sticker be formed by the Executive's department concerned which will be issued to the vehicles and stuck on the vehicles on a monthly basis so that we stop this issue of people collecting money by the gate every day.

I think that is a very noble thing which the committee has come up with and the important thing is, as Hon. Kingo'ri has said, for us to ensure that the implementation of this is done in strict adherence to what the committee has recommended and that we come out with distinct stickers which cannot be made in River Road to enable us continue collecting and charging this revenue effectively. Looking at it, you can see that we will be able to collect most of the revenue between the first and the fifth day of the month which will also give the County Government Or the Executive enough time to have the money for them to be able to perform the duties they want to perform..

On page 19, 4.13 on business permits, we have already reduced (a) the penalty for nonpayment of single business permit by 30th of March be amended to 25 percent of SBP instead

of Ksh. 20,000 so we have already given a concession. The Finance Committee has given a concession by reducing the penalty from Ksh. 20,000 to 25 percent of the single business permit. Now the (b) of it in my opinion should be maintained because when you delete the rate per month, the rate per month is supposed to be punitive; for every month when you delay paying this, you are charged a fee.

So if you delete that one, if you remove it and then I am only paying 25 percent of my single business permit, I might stay for as long as I want because I know whenever I am caught up with, if I am caught up with I will only pay 25 percent of the license. So we need to have a cumulative rate, so the three percent per month which had been put there in my opinion should be maintained as a punitive way of making sure that the people who own these businesses actually go ahead and pay the single business permits on time.

The other items had been highlighted I think on item 4.14 on the quarrying it is increasing. The one they say quarry cess for ballast and other crushed materials for semi-trailers per trip be reduced should be increased to Ksh. 3000 because here it is Ksh. 3000. They had increased to Ksh. 3,000. I have an issue with number 2 (b) of that quarry cess for ballast and other crushed materials for triple axle; triple axle is a bigger vehicle than a single axle semi-trailer and therefore, we cannot be having a triple axle paying at a lower rate than a single axle yet they are carrying much more. So I would suggest we go by what the Executive had proposed of Kshs 3,300 so that they are paying 300 shillings more than the normal person and I think that is what the finance people in the Bill had proposed.

And then number (c) quarry cess for ballast and other crushed materials for lorry above eight tones per trip be increased to Ksh. 3000 should be Ksh. 3000. We cannot reduce it to Ksh. 2500 because they had already proposed here an increment to Ksh. 3000. As we have said, it is important for us to ensure that we do collect as much as we can from these quarries.

Madam Speaker, I was watching television the other day and I saw a lady from South Africa from a certain area called Zombeleni and they were on television taking the Minister of Finance head on saying that they as a community in their area have stopped mineral mining in their areas and the only development they want to see is environment-related development because the diamond and the gold mining in their area is not benefiting the local community at all.

So it is up to us to ensure that whatever ballast or whatever is being mined in our areas, our people gain the most out of it because believe you me, sooner than later, we will only have gaping holes in all those areas where once there was ballast. You will have a gaping hole and once all that material has been removed, you will never see these people coming to you again. So, as long as they are coming to you for your raw material, make the best use of it; charge them and utilize that money to put other investments which can help you at the time when those resources shall get finished.

Finally, on point 4.15 on liquor, I always get confused Madam Speaker, when I look at point number (c) hotel alcoholic license to be Ksh. 40,000, Ksh. 20,000 and Ksh. 8,000 for urban, peri-urban and rural respectively. Then when I go below there, I see restaurant alcoholic license. The first one is hotel alcoholic license, the next one is restaurant alcoholic license and the restaurant alcoholic license is far below Ksh. 25,000, Ksh. 15,000 and Ksh. 8,000. So what is the difference between hotel alcoholic license and restaurant alcoholic license?

Remember the restaurant alcoholic license do not operate within the mututho law. If you go to Boma here at lunch time and you want to take a beer, they will not stop you from taking a beer; they will actually sell you a beer which is outside the mututho period. So they have got longer hours which they are selling their stuff but they are paying little, much less in license. How is that possible? To me I would be proposing that these two be the same; hotel and the

restaurant alcoholic license, so that the restaurant alcoholic license is increased to Ksh. 40,000, Ksh. 20,000 and Ksh. 8,000 for urban, peri-urban and rural respectively to ensure fair competition amongst the hotels, restaurants and other people who sell alcohol. So my proposal would be we harmonize these two and make sure what the hotel alcoholic license is charging is the same as restaurant alcoholic license. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Museku. Hon. Jeremiah.

Hon. Munguti: Thank you, Madam Speaker. First I would like to congratulate the chairman and the committee for the good and elaborate report that they have given to this House. I have some few observations that I have seen in this report. First I will start with the *muguka* in 3.2.4 whereby in (b) we have transportation permit for the boda boda riders. Madam Speaker, I think it will be prudent if these permits be increased to a level of Ksh. 5,000 because as we discussed in the House there before, we banned *muguka* and also *miraa*.

Number two is about the issue of the gambling slot machines, I think for this House, we discussed and completely banned the issue of gambling and therefore I do not see any good reason why even the licensing of the gambling machines should be even slated in this Finance Bill of Machakos for this year because Madam Speaker, it is very irritating since we banned these gambling machines even in our towns and also in our markets at the rural areas some are still in existence.

Therefore my view would be that the committee on Implementation looks to see that the gambling machines have been completely stopped in our markets and also in our towns. When you go down there at a shopping area we call Splash, you find those guys gambling there and it is daytime. I do not know where they have gotten the license to operate. Also in my area, I got three in my market in Muthetheni and Itithini. We had to dismantle them because these ones have been banned completely and therefore, my view is that instead of putting these permits, we should just ban them completely.

Hon. Speaker: Hon. Jeremiah, it is just a way of thinking. If the Assembly has passed a resolution to ban them and they are still there, isn't it good that you have a high permit license so that when you catch them doing it, you punish them that they are trading without that high permit and there is also somebody who has rented the premises you also penalize them. Wouldn't it be better or wasn't that the thinking of the committee because it is a way of finally ending the practice. If you remove it and they are still doing it, is it helping? And of course it takes time to implement to stop them completely, so for some time, they will be operating free of charge without any penalty. That is what it will mean, isn't it? But think about it.

Hon. Munguti: Yes Madam Speaker. I am thinking critically on the same but I think the good thing was to arrest these people, put them into cell so that they understand why this Assembly has to make regulations, and also they must be followed. Madam Speaker, I would like to see on page 10 where we have licensing of premises and trade on issue of M-Pesa.

I can see they have put good rates but all the same, my argument was to reduce them so that we may encourage the upcoming youth who are small traders so that they can open up businesses, because if you look at how our nation is growing day after day, results are almost out for the form four leavers who have finished their KCSE, we have several pass outs (??) for our graduates from the universities and yet there are no job opportunities, but if we reduce the rates of M-Pesa agents, we will encourage our young ones to operate the business in the rural areas and also in our markets.

On the issue of liquor, I also want to concur with the Members that there are a lot of problems especially when the inspection is done. Madam Speaker, I think it is good for this Assembly also to put a law which will guide the inspection people that in case they are inspecting the bars and restaurants to issue licenses, there should be a standard measure because like in Mwala Sub-County, every bar is entitled to give Ksh. 3000 which is not receipted and you wonder where does this money go and when you talk to the relevant offices, it is turned actually to a deaf ear. So my point was that if we can make a law which regulates---

Hon. Speaker: Hon. Jeremiah we want you to bring that law so that we debate it here, so stick to this Bill because now we do not have that law and because we are also running short of time. Remember we are also to go into Committee of the Whole House and this Assembly also has another function today. So stick to what is on the table, but bring that law; it is a very good law you are talking about.

Hon. Munguti: Thank you, Madam Speaker. This reminds me that I have put this motion to the clerks and it has never seen its way to the Assembly. Also Madam Speaker, I want to look at Page 17, on the issues of mini buses and also the issue of Bus Park. It is wise for the committee to have come up with this issue of monthly payments but I find it so punitive.

For the omnibuses, it is too high; Ksh. 13,000 per month, when you divide by thirty days, it comes to close to Ksh. 430 shillings and Madam Speaker, to encourage our people to do business within our county so that we may have high revenue collection to realize our dream, I think for the omnibuses and the buses beyond 41 seater to 61 seater, it should be reduced to Ksh. 10,000. Also, Madam Speaker---

Hon. Masesi: I just want to inform the Hon Member Kim that we have been brought up in the matatu sector.

Hon. Speaker: Do we have a member known by the name.

Hon. Masesi: Hon. Jeremiah Munguti, Madam Speaker. I want to inform the Member in fact some of us have been brought up in the Matatu sector and in Nairobi, in fact the 51 seater per month sticker we are paying Ksh. 7350, 33 seater we are paying Ksh. 5350, whereby a Nissan 19 seater is Ksh. 3750. Madam Speaker, I would like to support his sentiments and say that the rates need to be reduced and support fully the monthly charges. Thank you Madam Speaker.

Hon. Speaker: Thank you Hon Cosmas Masesi. Hon Jeremiah.

Hon. Munguti: Thank you Madam Speaker for the Member supporting what I had seen. Also on page 21 Madam Speaker 4.17 on the issue of environment, it is good to have good environment also to reduce noise pollution and air pollution, but also to delete penalty for driving unroadworthy vehicles. To me it does not sound better because when you delete the penalties, then it shows that you meet with a vehicle which is unroadworthy which does not have insurance and when you are knocked by the same, then you end up in a problem. Therefore I would request the committee to look upon that so that we can put some penalties in order to regulate those vehicles which are unroadworthy.

Otherwise I want to support this report and applaud the committee for the good work they have done, but to wind up Madam Speaker on the general recommendation, I have also seen that

they have said that the trucks should be allowed to operate on 24 hours line with the economy which is a good thinking but according to me, especially when it comes to sand harvesting, when these people are going to be allowed to work for 24 hours, then that is now where we get loopholes of revenue leakages. My view would be that we have a regulation whereby there are times when the sand harvesters can have time to ferry their own sand and if they go the hours which are not allowed, then they be given punitive actions. Thank you Madam Speaker.

Hon. Speaker: Thank you. Hon Angela. Hon Members please pay attention to what has already been contributed so that we do not have repetitions.

Hon. (Ms.) Munyasya: Thank you Madam Speaker. I would like to apologize I have lost my voice but I am going to be very brief. My concern has been raised; it is to do with sand harvesting and I thought we banned sand harvesting in this House for at least one year so I fail to understand Madam Speaker, how the question on revenue collection on sand harvesting arises whereas we decided to ban sand harvesting and it has been a menace and especially in my ward.

My ward representative, Hon. Musau, can attest to that; that we have had a big problem with sand harvesting in our village. Rivers have all run dry and we have nobody to turn to because when the County Commissioner announces even over the media that sand harvesting has been banned, it is still continuing. So, Madam Speaker, I want to seek rescue from this House that we stop sand harvesting at least for a while as the rivers recuperate. Thank you, Madam Speaker.

(Applause)

Hon. Speaker: Thank you Hon Angela. Hon Cosmus Masesi.

Hon. Masesi: Thank you Madam Speaker. I would like first to appreciate the report by the Finance committee led by the Hon Chair, Stephen Mwanthi. Madam Speaker, I have got only two concerns; first is on 4.3, page 15 on public lavatories.

The committee has singled out lease of a toilet on peri-urban and rural, leaving out on urban areas whereby when you go to the main document, Madam Speaker we are leaving a loophole whereby page 64,1734 is saying, the person managing or leasing a public lavatory will pay the County Government a monthly fee or quarterly fee or such a fee as may be agreed between the County Government and that person. Madam Speaker there is a gap there whereby my concern was the committee should have looked at the current rates whereby I want to believe they are paying Ksh. 60,000 per month and we give a figure not just to leave an open cheque for the Executive.

Madam Speaker secondly is on page 147 on the main document on the issue of drilling a borehole per site. The rates are just cutting across even doing a borehole at the rural area Ksh. 21,000 when one at the urban area is been done on Ksh. 21,000. Madam Speaker, my wish is that we reduce the amount on the rural area to enable our people have access to water. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon Masesi. Hon Kalumu.

Hon. Kalumu: Thank you, Madam Speaker. My issue is just one because the others have been contributed on and the issue is on liquor licensing. Madam Speaker, I have not seen any recommendation to reduction on the number of bars which are selling alcohol in the county

because if you look at them, this is the law making House concerning businesses and we are doing it now.

If you go to every town, you find that a big number of businesses are bars and the county has been turned into a drinking county rather than a working county, so something must be done if we want to bring up a generation that will take over from us. The only thing I want to say is let us focus on the lawmaking process to make sure that the generation that will come after us can really think critically without the influence of alcohol. Thank you Madam Speaker.

Hon. Speaker: Thank you, Hon Kalumu. Hon. Members, I will now put the question,

(Question put and agreed to)

(The Bill was read a Second Time and committed to a Committee of the whole House today by leave of the House)

(Then)

COMMITTEE OF THE WHOLE HOUSE

(Order for Committee read)

[Hon. Speaker (Mrs. Mwangangi) left the Chair]

IN THE COMMITTEE

[Mr. Chairman (Hon. Museku) took the Chair]

THE FINANCE BILL, 2018

(Clause 2 agreed to)

(Clauses 3 to 172 agreed to)

Clause 173

Hon. Chairperson: Hon. Members, clause 173(4) has an amendment and I propose that the clause 173(4) be part of the Bill. Hon. Cosmus Masesi.

Hon. Masesi: Thank you, Mr. Chair. I move that clause 173(4) be amended as proposed. Mr. Chair the reason behind this is that we have the current rates of the modern toilets within our urban areas which are going for Ksh. 60,000 per year and my feeling was that if you leave an open cheque, there will be a lot of shortcomings which can lead to the County Government losing a lot of revenue.

Hon. Chairperson: Thank you Hon Member. Hon Stephen.

Hon. Mwanthi: Hon. Chair, I would request the Hon. Member to state how he needs the amendment to read. Thank you

Hon. Chairperson: Hon Cosmus maybe you may give guidelines as had earlier been discussed.

Hon. Masesi: Mr. Chair my proposals were for the clause to read, “by deleting the whole clause 173(4) and making it read the person managing or leasing a public lavatory will pay the County Government a monthly fee or quarterly fee or such other fee as per the Fourth Schedule.

Hon. Chairperson: Thank you, Hon. Cosmus. Hon. Members, I now propose the question that clause 173(4) be amended as proposed. I now put the question that clause 173(4) be amended as proposed.

(Question put and agreed to)

Hon. Members, I now put the question that clause 173(4) as amended be part of the Bill.

(Question put and agreed to)

(Clauses 174 to 356 agreed to)

(First Schedule agreed to)

(Second Schedule agreed to)

(Third Schedule agreed to)

Hon. Members, it is important for you to air your views so that the HANSARD can be able to capture your participation in this. I am only hearing a few Members acknowledging, and if by any chance somebody on the other side speaks or two of them speak louder than you, I can assure you because it is by acclamation, the NOES may have it and we might not have a Bill. So, let us be participating with this thing effectively. Thank you.

Fourth Schedule

Hon. Members, the Fourth Schedule does have amendments and I therefore propose the question that the Fourth Schedule be part of the Bill. I wanted him to propose so that I can be able to open it to the other Members, so Hon. Steve.

Hon. Mwanthi: Thank you, Mr. Chair. I move that Schedule Four be amended as proposed by the committee’s report. Thank you.

Hon. Chairperson: Thank you. Hon. Members, what you have with you, you do have the amendments which have been proposed by the committee in this document which is written “Notice on amendments” and in it highlights all the amendments which have been done on the Fourth Schedule. Hon. Ndambuki, could you move your proposal on amendments for Muguka transportation please.

Hon. Ndambuki: Thank you chair, I want to move an amendment for Muguka /Miraa for daily charges to be retained as proposed for Boda Boda transporters at Ksh. 3,000 per day.

Hon. Chairperson: So the proposal if I get it right, is that in the Fourth Schedule under Muguka/Miraa, Khat transportation, item six, he is proposing that *Muguka* be charged Ksh. 3000 per day on page 144. So are you proposing that we increase it to Ksh. 3,000 per day or we retain it as it is because it had been scrapped? Ksh. 3,000. Now Boda Boda transportation permit per day is Ksh. 1,000.

Hon King'ori: As we have already banned that substance, I think it is not in order for us to charge the same because somebody will say I am being licensed to do the business then you are saying you have banned. How can you ban? That is why we are having the problem on sand harvesting.

Hon Kamitu: I want to inform my dear brother MCA Hon. King'ori that we did not ban, we only said we should regulate. Thank you.

Hon. Chairperson: Thank you, Hon King'ori. I think for *Miraa* and *Khat*, it was not banned; we talked about regulation and also putting in place punitive permits and charges so that they can be able to reduce on the intake so the Hon Member is proposing that *boda boda* transportation permit per day be increased to Ksh. 3,000. Do you have a seconder? Hon Moffat.

Hon. Maitha: Mr. Chairman, when he says it should be Ksh. 3,000, is it for urban, peri-urban or is it for all?

Hon. Chairperson: Hon. Member you may want to clarify that?

Hon. Ndambuki: It will apply to all categories.

Hon. Chairperson: Thank you very much, he says it should be applicable to all categories and therefore do you have a seconder to your proposal?

Hon. Ndambuki: Hon. Helen Ndeti.

Hon. (Ms.) Ndeti: Thank you Mr. Chair, I second. I agree we should increase, we should even go above but Ksh. 3,000 is okay for the time being. This is a substance that will finish our children and it has no health benefit to them so I do not see why we should really spend a lot of time on it. Thank you.

Hon. Chairperson: Thank you Hon. Helen for seconding. Hon Steve.

Hon. Mwanthi: Thank you, Mr. Chairman. I was requesting if it is possible the mover should at least work on all that column of Miraa so that we may not mess with it. You see we might find the *boda boda* paying Ksh. 3,000, while transportation permit for a Probox per day is Ksh. 1,500, something which is not workable. So, I think it is good maybe we go on all the figures on that, we amend all of them then the Bill will be good. Thank you.

Hon. Chairperson: Thank you, Hon. Member. I think the proposal here by the Hon chair is that we are to change because they are co-related then we will need to start with transportation permit per day for the Proboxes. If we are saying *boda boda* transportation permit per day should be Ksh. 3000, then the Proboxes should pay much more. So because the proposal is yours, give a proposal considering that you are saying *boda boda* should pay Ksh. 3,000 three times what was proposed here, so that would only be an increase of Ksh. 1,500 above a normal *boda boda*, so maybe a better proposal, Hon. Chair the proposal is for Ksh. 10,000 per day.

So, Ksh. 10,000 per day for Proboxes for those vehicles which are transporting, then transportation permits per month, if it is Ksh. 10,000 then per month it goes to Ksh. 250,000 and then *boda boda* transportation per day Ksh. 3,000 and the *boda boda* transportation permit per month Ksh. 75,000, and then *Miraa* sellers permit per day is Ksh. 500, how much do we take it to now?

Hon. Members: Ksh. 1,500.

Hon. Chairperson: Take it to Ksh. 1,500 and then *Miraa* sellers permit per month moves to Ksh. 30,000 and then *Miraa* sellers permit annual Ksh. 250,000 because is paying annually, are we okay on that? So move those amendments as all of them now. Say you want to move the amendment on *Miraa/ Khat, Muguka* as proposed.

Hon. Ndambuki: Thank you Chair. I wish to move the amendments on *miraa/muguka/khat* as proposed. In that transportation permit per day at Ksh. 10,000 for all areas, transportation permit per month Ksh. 250,000 across all areas, *bodaboda* transportation permit per day at Ksh. 3,000 across all areas, *bodaboda* transportation permit per month Ksh. 75,000 across all areas, *miraa* sellers permit per day at Ksh. 1,500 in all areas, *miraa* sellers permit per month Ksh. 30,000 in all areas, *miraa* sellers permit annual Ksh. 250,000. Thank you, Chair. I wish to call upon Hon. Helen to second.

Hon. (Ms.) Ndeti Seconded

Hon. Chairperson: Thank you, Hon. Members. We will go through all of them then we can be able to now quote all of them in the Fourth Schedule. Hon. Mark Muendo, I need to know the items you had put a proposal on.

There was quarrying fee should not be reduced on ballast, then there was the building plans in rural areas should be zero rated, then you had proposed the pollution by cement companies should not be reduced and you had also proposed through me that, interest per month on non-payment of single business permit should be retained at 3 percent per month for failure to pay on time and then you had also proposed that for liquor, hotel alcoholic license and restaurants alcoholic license should be equalized at Ksh. 40,000 for urban, Ksh. 20,000 for peri urban and Ksh. 8,000 for rural to enable fair competition. Hon. Member, you may move those amendments.

Hon. Muendo: Thank you, Chair. I will start with the approval of buildings plans per square foot; per plan be reduced to Ksh. 10 in peri-urban and urban and zero rated in rural areas instead of we delete the Ksh. 2 and replace with "0" rated. The second one will be quarry cess.

The proposal was to reduce to Ksh. 3,000. I propose that, the amendment we should retain the earlier one which is Ksh. 3,500 per trip. The other amendment, the penalty of 3 percent on business permit should be retained. The hotel and restaurant the fee should be equalized to

Ksh. 40,000, Ksh. 20,000, Ksh. 8,000 for urban, peri-urban and rural. All those amendments I ask my Minority Leader to second.

Hon. Kamitu Seconded

(Applause)

Hon. Chairperson: So, Hon. Members the proposal which has been proposed by Hon. Mark Muendo and seconded by Hon. Kamitu, Minority leader are as follows:-

That buildings plans in rural areas should be "0" rated. That quarry fee should not be reduced but should be maintained at the fee proposed by the Executive. That the proposed pollution by cement companies should not be reduced and should be maintained. That the interest rate charged for delay in payment of single business permit which was charged at 3 percent should be maintained.

That the liquor, hotel alcoholic license and restaurants alcoholic license should both be equalized at Ksh. 40,000, Ksh. 20,000, and Ksh. 8,000 for urban, peri-urban and rural areas respectively. So, those are the proposals which he has made and they have been seconded by Hon. Kamitu.

We move on to the next item. There was a proposal by Hon. Johanna, that the water tankers per month rate should be maintained but I cannot see the Hon. Member in the House. So, we will skip that amendment because the person who moved it is not here to be able to move it. There was item by Hon. Jeremiah who proposed that we reduce the rates of M-Pesa agents. Hon. Jeremiah.

Hon. Munguti: Thank you Mr. Speaker. I had proposed that we reduce the M-Pesa agents who operate single business permit from the urban to remain Ksh. 5,000, peri-urban, Ksh. 3,000 instead of Ksh. 4,000 and rural from Ksh. 3,000 to Ksh. 2,000. On other agents combined (KCB, Equity, Family, Airtel etc.), urban to remain Ksh. 8,500, peri-urban to lower from Ksh. 8,500 to Ksh. 6,500 and Rural from Ksh. 8,500 to Ksh. 4,500. Thank you, Mr. Speaker. I call upon Hon. Phoebe Koki to second my amendments.

Hon. Chairperson: Hon. Member before you call upon your seconder, you also had the other proposal on matatus/mini buses. Have you calculated the charges now? You move both of them so that we can be able to get both of them seconded at the same time.

Hon. Munguti: Thank you Chair. I also wanted to amend the 11 seater from Ksh. 3,500 per month to Ksh. 2,500; the 11 seater I wanted it to be Ksh. 3,700 from the initial which was set by the committee which was about---

Hon. Chairperson: Hon. Member, maybe I can help you there. Currently, the committee had proposed that for omnibus of 9-14 passengers which are the normal 14 seater Nissan matatus we have, they had proposed Ksh. 3,500 and when you look at their current rates, it is actually Ksh. 150 per day, that is what we are currently paying. If you multiply that by 30, that was coming to Ksh. 4,500. So, the committee had actually reduced the rate to Ksh. 3,500 per month. So we retain it?

Hon. Munguti: Yes, we retain that.

Hon. Chairperson: Then we go to the omnibus of 15 -33 passengers; the committee had proposed Ksh. 7,000. What is your proposal?

Hon. Munguti: My proposal would be Ksh. 5,350 considering that Chair, we are business people, we transact every day and when we compare with other counties, we are paying Ksh. 5,000. So, my amendment would be we propose Ksh. 5,350, also on the 34 - 42 passengers instead of Ksh. 10,000, we go to Ksh. 7,350 and from 43 and above passengers from Ksh. 13,000 to Ksh. 10,000. Thank you, Mr. Speaker. I call upon Hon. Phoebe Koki to second my amendments.

Hon. (Ms.) C. Koki Seconded

Hon. Chairperson: Thank you Hon. Phoebe Koki for seconding. Hon. Steve, you have something to add?

Hon. Mwanthi: Yes, I would request the mover maybe also to consider the 9 seater vehicle. We cannot reduce only for some vehicles and then leave that one alone. It is also good we consider and change the figures. Thank you, Mr. Speaker.

Hon. Chairperson: 9 seater is covered in the 9-14 if I am not wrong. Are you talking about the 8?

Hon. Masesi: Mr. Chair, the Chairman is requesting we also consider the 9-14 seater.

Hon. Chairperson: The 9-14 seater has already been reduced from Ksh. 4,500 currently to Ksh. 3,500 because they are paying Ksh. 150 per day. If you multiply by 30 it goes to Ksh. 4,500. So that is already reduced. Hon. Chair is that okay?

Hon. Mwanthi: You see Hon. Chair because when the Committee was considering all these rates, at least we were also trying to see the number of passengers each vehicle carries. So, if these others he is proposing the other omnibuses that is from 15-33 to be reduced maybe from Ksh. 7,000 that the committee had considered to Ksh. 5,350, then it will mean also the other smaller vehicles should also be reduced. If you go by our calculations you will realize that, every passenger is paying Ksh. 250 per month, that is per seat.

So, I see it prudent maybe also for the Proboxes to also be considered using the same ratio because the ratio will be different from the Proboxes and those other vehicles. Thank you, Mr. Speaker.

Hon. Chairperson: Maybe I will also give my sense worth. Which is the cash cow in these categories? Which is the one which gives us most revenue? Which are the many? The 9-14. So, if you interfere with your cash cow which already you have reduced from Ksh. 4,500 to Ksh. 3,500, you go further down, you might not be able to meet your revenue target. So, my humble proposal is that we maintain the 9-14 because it already has a deduction of Ksh. 1,000 per month to enable the Government to collect some revenue because I think the others, 33 (seater), the 42, they are not as many as the 9-14 seaters and that is where we need to be raising some revenue.

So, Hon. Members, the proposals which have been brought are as follows, proposed by Hon. Jeremiah and seconded by Hon. Phoebe Koki that all permits to expire on the 30th day of

every month, that remains. Omnibus up to eight passengers to pay Ksh. 1,000 per month, that remains. Omnibus of 9 – 14 passengers to pay Ksh. 3,500 per month, that remains. Omnibus of 15 – 33 passengers to pay Ksh. 5,350 per month down from Ksh. 7,000 earlier proposed. Omnibus of 34 - 42 passengers to pay Ksh. 7,350 down from the proposal of Ksh. 10,000 per month. Omnibus of 43 and above passengers to pay Ksh. 10,000 down from what had been proposed earlier, Ksh. 13,000 per month. I think with that comes the end of the amendments which have been brought before the House and which have been proposed and seconded and therefore---

Hon. Wambua: Mr. Speaker, before you put the question please?

Hon. Chairperson: Yes, Hon. Musau.

Hon. Wambua: Mr. Chairman, I think there is ambiguity in those licenses expiring on 30th of every month. Since some months have 31 days and the same clause goes to say the licenses should be renewed from 1st to 5th so, if we limit ourselves to 30th and yet we are saying the license should be paid from 1st to 5th, there is ambiguity on the months that have 31 days. So, I think it was more prudent for us to say, to expire on the last day of the month, if we cannot put specifically 31st. Thank you, Mr. Chairman.

Hon. Chairperson: Hon. Chair....

Hon. Mwanthi: Thank you, Mr. Chair. I think on that same aspect, maybe you see there is a period for the owners to pay between the first day and fifth. So, there is nothing that can happen for the owners of the vehicles between 30th and 5th day of the following month. So, I do not see any problem with that.

Hon. Chairperson: Hon. Musau, are you okay?

Hon. Wambua: Yes, I am okay Mr. Chairman and if you allow me, I have seen a fix somewhere, if you allow me to go back just a little bit. There are some petrol station guys being punished for no good reason Mr. Chairman by this Bill. I think it is page 155, something like that. It is as if we overlooked the issue....Yes Mr. Chairman, 155, the last row, penalty for a filling petrol station, fueling motor cycle, that is a *bodaboda*, which does not have a valid county permit Mr. Chairman, those guys will be penalized Ksh. 100,000 for no good reason.

Actually, Mr. Chairman, it is not the work of the petrol station guys to look whether a motor cycle has a sticker or not. First of all you look whether a *bodaboda* has a sticker or not. All the same, how will you differentiate between a *bodaboda* and an individual's motor cycle which does not operate like a *bodaboda*? Thank you, Mr. Chair.

Hon. Chairperson: Thank you, Hon. Member. I think that is a good observation because it is not the duty of service stations to enforce permits collection and stuff like that. You cannot put it on a petrol station to be asking, 'do you have a valid permit before I can put for you fuel?' I think we need to move an amendment for deletion on that clause. Before we even move ahead with the other for the Hon. Member to propose on the amendments which have been done, this needs to be moved as part of the amendments, a deletion.

So, maybe Hon. Musau what you could do is, propose a deletion and get a seconder for the deletion then it will be picked up as part of the amendments in the Fourth Schedule. Thank you. So, maybe you can move the deletion.

Hon. Wambua: Thank you, Mr. Chairman. I do move an amendment that this clause be deleted. That is the clause on the penalty for a filling or petrol station for fueling a motor cycle that is a *bodaboda* which does not have a valid county permit or sticker. Thank you, Mr. Chairman. I propose the MCA, Mitaboni Ward to second.

Hon. Muthoka Seconded

Hon. Chairperson: Thank you. Hon. Members, as part of the amendments which have been done again on the floor that we delete the clause which had been put there on item 18, page 155 on the penalty for a filling station/ petrol station fueling motor cycle *bodaboda* which does not have a valid county permit or sticker, what has been moved is that we delete that because it will be too punitive and that is not their work. I therefore call upon the Chairman, Hon. Mwanthi to move the amendments which have been done on the Fourth Schedule.

Hon. Mwanthi: Thank you, Mr. Chairman. I now move that Schedule Four be amended as proposed.

Hon. Chairperson: I propose the question that the Fourth Schedule be amended as proposed.

(Question that the Fourth Schedule be amended proposed)

(Question that the Fourth Schedule be amended as proposed put and agreed to)

(Question that the Fourth Schedule as amended be part of the Bill proposed)

(Question that the Fourth Schedule be amended as proposed put and agreed to)

Hon. Wambua: Mr. Chairman before the Clerk proceeds please, I want to bring to your attention that the amendment we did on the petrol stations and the *bodaboda* is in Schedule Three and it has not been captured in HANSARD as Bill being amended just like Schedule Four has been captured. Thank you, Mr. Chairman.

Hon. Chairperson: Thank you. I think the amendments which you proposed if they are in Schedule Three then you need to propose for them to be amended in Schedule Three Hon. Chair. Are they in schedule three? Hon. Member can you consult with the clerk and tell me which schedule they are in please.

(Hon. Mwanthi consulted the Clerk at the Table)

Thank you. Hon. Members, I think it is properly placed. If you look at page 13, you will notice that we have the First Schedule which is taxi car permit, Second Schedule which are charges for fire services, the Third Schedule which is just for application for supply of water and Fourth

Schedule which should be fees and charges, single business permits and schedules. So, what is missing on that page is the heading.

Schedule Three is only one page. From the next page, it is Schedule Four. So, what they did not put on page 138 at the top, they should have started by writing the Fourth Schedule. The Third Schedule is only the application for supply of water then all the rates are in the Fourth Schedule. So, the Finance Bill as the draft had an omission of the title. So, it has been moved correctly in the Fourth Schedule. Thank you. Yes, we are finalizing now Hon. Member.

Hon. Muendo: Yes. My concern is on the advertisement, as I mentioned when I was contributing. The Billboards on page 153, it is not well captured.....are we there 153?

Hon. Chairperson: Yes, Hon. Member that will be for information because the question has already been put. So, it can only be amended in future because we have already put the question and it has been passed already. So, they need to note it and make sure that going forward it is picked and handled.

Hon. Muendo: Okay. Thank you.

Hon. Chairperson: Thank you, Hon. Member. Mr. Clerk, proceed.

(Title agreed to)

(Clause 1 agreed to)

Hon. Mwanthi: I wish to move that the committee do report its consideration on the Machakos County Finance Bill No. 3 of 2018 and its approval thereof with amendments

(Question proposed)

(Question put and agreed to)

(The House resumed)

[Hon. Speaker (Mrs. Mwangangi) in the Chair]

REPORT AND THIRD READING

THE MACHAKOS COUNTY FINANCE BILL, 2018

Hon. Museku: Hon. Speaker, I wish to report that the Committee of the whole House has considered The Machakos County Finance Bill No. 3 of 2018 and has approved the same with amendments.

Hon. Mwanthi: Thank you, Madam Speaker, I now beg to move that the House do agree with the Committee in the said Report. Thank you, Madam Speaker.

Hon. Speaker: You do not have any short explanation or even to thank the Members?

Hon. Mwanthi: I would wish to thank all the Members who have contributed towards the

report and also appreciate that the little amendments that we have done be considered to at least make sure that or to enhance the revenue collection in the County. Thank you.

Hon. Speaker: Do you have a seconder?

Hon. Mwanthi: I do request Hon. Helen to second.

Hon. Speaker: Hon. Helen Ndeti, do you agree to second?

Hon. (Ms.) Ndeti: Seconded

(Question proposed)

(Question put and agreed to)

Hon. Speaker: Hon. Steve Mwanthi, you keep quiet; I play your role which will be very wrong. Do not keep quiet, Hon. Steve Mwanthi.

Hon. Mwanthi: Thank you, Madam Speaker. I was waiting for you to call out.

Hon. Speaker: Alright, go ahead. I have called you now.

Hon. Mwanthi: Thank you. Hon. Speaker. Pursuant to Standing Orders 131(2), I wish to move the Motion that, the Machakos County Finance Bill No. 3 of 2018 be now read the Third Time. Thank you, Madam Speaker.

Hon. (Ms.) Ndeti seconded.

(Question proposed)

Hon. Speaker: Hon. Members, I am inviting you to make short contribution at this stage. I can see Hon. Winnie is very ready to do that. Proceed Hon. Winnie.

Hon. (Ms.) Mutua: Thank you, Madam Speaker. I was putting the microphone on to say a big yes but I wish to comment on the amendments. It is good that you have amended; we mean good for the County of Machakos. Thank you, Members.

Hon. Speaker: Thank you, Hon. Winnie. Any other Member? Hon. Mitaa.

Hon. Mitaa: Thank you, Madam Speaker. Mine is to thank the Committee and also the whole House for dedicating their time and sacrificing a lot. Madam Speaker, as you have noted, we have not had a break and I think what we have come out with is a document which will help the County to raise revenue and hence our people get the required services. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Mitaa. Hon. Mueni.

Hon. (Ms.) Mueni: Thank you, Madam Speaker. I thank the Committee for the hard work

they have done and also the House for the people of Machakos to be served because we also need the revenue for the County and we also have to care for our people. It is very important for us to collect the revenue and our people to be served in a better way, paying the things they sell in a fair manner because we went to the ground and the people agreed and they said the amount of money which can be paid for them to do the business. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Mueni. Hon. Musau.

Hon. Wambua: Thank you, Madam Speaker. May I say a big hey to the House for coming to provide the Executive with a road map on what to do as from 1st January, Madam Speaker. May I also request that upon this Bill becoming a law, that every Member be provided with a copy so that we may take it back to our people and see how much they should be charged. Thank you, Madam Speaker.

Hon. Speaker: Thank you, Hon. Musau. Hon. Kamitu.

Hon. Kamitu: Thank you very much, Madam Speaker. I happen to have been invited in this Committee and more so and most important is that most of the sentiments and most of the report are exactly what the public demanded during the public participation. So, I echo the Hon. Members of this House and that is the direction that we should take as a team as a House of Honourables and as a House of team Members. This is a good sign and I pray that we continue with that teamwork.

Hon. Speaker: Thank you, Hon. Kamitu. Hon. Mutiso.

Hon. P.J. Mutiso: Thank you, Madam Speaker. Mine is just to thank the whole House because of the good work they have done at this time because I know they were at their homes and they have found time to come all the way to this House. So, I have to thank them because of that, and I wish them a good Christmas and a happy new year. Thank you.

Hon. Speaker: Thank you, Hon. Mutiso. The Mover of the Motion, Hon. Steve Mwanthi, do you have anything to tell the Members after they have done the good job?

Hon. Mwanthi: Thank you, Madam Speaker and all Hon. Members. It has been quite a challenging debate and amendments that we have done and I want to believe this document will work for the County and will enhance revenue collection. Not forgetting two things that we considered as committee especially on gambling machines where we have scrapped....if you go through the document, you will find that we have scrapped everything or any monies that is supposed to be given and also sand harvesting, there is a Member who was concerned and I have assured her that, the County Government will not be issuing and we have deleted everything or any cess or money for transporting of sand in our County.

It is only a penalty in case you are found harvesting or sand scooping or even transporting in our County. So, thank you, Members and I also wish you a Merry Christmas and a Happy new Year. Thank you.

(Applause)

Hon. Speaker: Thank you, Hon. Steve Mwanthi.

(Question put and agreed to)

(The Bill was accordingly read the Third Time and passed)

Thank you. Hon. Members, now you have the Finance Act. Thank you very much.

(Applause)

A Merry Christmas and a Happy New Year to all of you. I know we will definitely meet before those particular days. So we continue wishing each other good work and as Hon. Minority said, I hope that the new session will be marked by teamwork.

(Applause)

The reason is because it is all for the person that sent you here. Even if you are specially nominated, there is a sector that sent you here. So, we should be able to put all the differences that we have witnessed in the past and work together, and let me tell you, it is easy. If you agree all of you to be guided by the law, you will not find any points for diversion in your discussions in this House and I am making an appeal to all of you to make sure that you make the law your point of reference and this House will not go wrong. Have a blessed afternoon Hon. Members.

ADJOURNMENT

Hon. Speaker: I am being told that the House is adjourning to the 11th day of February but I was taking it that you are on recess. You remember this was just a special sitting. So, you are still on recess remember that. Thank you.

The House rose at 1.52 p.m.