

REPUBLIC OF KENYA
COUNTY ASSEMBLY OF MACHAKOS

OFFICIAL REPORT

Wednesday, 3rd March, 2021

The House met at 10.30 a.m.

[The Deputy Speaker (Hon. Museku) in the Chair]

PRAYERS

BILL

Second Reading

MACHAKOS COUNTY FINANCE BILL, 2020
(MACHAKOS COUNTY BILL NO. 4)

Hon. Mwanthi: Hon. Speaker, pursuant to Standing Order 121(1), I wish to move the motion that the Machakos County Finance Bill, 2020 (Machakos County Bill No. 4) be now read a second time. Thank you, Hon. Speaker. I call upon Hon. Rozina to second.

Hon. Deputy Speaker: Hon. Rozina Kanini.

Hon. (Ms.) Kanini: Thank you, Mr. Speaker. I second the motion.

Hon. Deputy Speaker: Thank you, Hon. Rozina. Hon. Stephen Mwanthi, you may go ahead and read the report.

Hon. Mwanthi: Hon. Speaker, if you allow me, because the report is a little bit lengthy, you will allow me not to read on the introduction part which is our number one, it has several issues of publication and committal of the Bill to the committee, and committee membership, whereby we have:-

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|--------------------------|--------------------|
| 1. Hon. Stephen Mwanthi | - Chairperson |
| 2. Hon. Josphat 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. Judas Ndawa | “ |
| 9. Hon. Moffat Maitha | “ |
| 10. Hon. Phoebe Koki | “ |
| 11. Hon. Hellen Ndeti | “ |

12. Hon. Grace Mutwiwa

“

13. Hon. Cosmus Masesi

“

Then our number two, Hon. Speaker, is legal provisions relating to the Finance Bill. Then we can start with our number three, Hon. Speaker.

3.0 THE MACHAKOS COUNTY FINANCE BILL 2020

3.1 Consideration of the Bill by the Committee

Hon. Speaker, the Committee discussed the Bill and also facilitated public participation pursuant to Standing Order 120(3) in all the eight sub-counties of the County. The Committee also held forum with the Kenya Association of Manufacturers (KAM) and Executive Committee Member – Finance who gave their recommendations on the Bill.

3.2 Public Hearing and Receipt of Memoranda

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 Daily Newspaper of Tuesday, 17th November, 2020 informing the public of the venues where the public hearings or public participation in connection with the Machakos County Finance Bill, 2020 will be conducted at the sub-counties.

The Assembly also made daily radio announcements on *Mbaitu FM* calling the public to attend the hearings for oral submissions or presentation of memoranda from 18th to 24th November, 2020. The public were also called upon to send their memoranda through the Assembly email (assemblymks@gmail.com) on or before Tuesday, 2nd December, 2020.

Further, announcements were made in churches and other public places. The table 3.1 below shows sub – county, venue, and time where public participation was held.

Table 3.1: Schedule of Venues for Public participation at the Sub-Counties

	DATE	SUB – COUNTY	VENUE	TIME
1.	30.11.2020	Machakos	Machakos Social Hall	10.00 a.m.
2.	30.11.2020	Matungulu	AIC Tala	10.00 a.m.
3.	30.11.2020	Mwala	Muthetheni Chief’s Camp	10.00 a.m.
4.	30.11.2020	Kangundo	ABC Kalimani	10.00 a.m.
5.	30.11.2020	Kathiani	AIC Kaviani	10.00 a.m.
6.	30.11.2020	Masinga	Ekalakala Market Shade	10.00 a.m.
7.	30.11.2020	Yatta	AIC Kithimani	10.00 a.m.
8.	30.11.2020	Mavoko	Chief’s Camp Mlolongo	10.00 a.m.

3.2.1 Public views

Hon. Speaker, Members of the public gave views during public participation facilitated by the Assembly on 30th November 2020 in various venues in all the eight sub-counties. The views of the members of the public have been summarized and presented in section 7.0 of this report as Appendix 1.

3.2.2 Submission of Memoranda on the Bill

Hon. Speaker, 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 Committee received two memoranda on the Bill as follows:

a) Memorandum by the Kenya Association of Manufacturers (KAM)

Hon. Speaker, the Committee invited the Kenya Association of Manufacturers (KAM) to a meeting on 7th December, 2020 to discuss the Machakos County Finance Bill 2020. Six Members representing KAM met with the Committee and tabled both written memoranda and oral submissions. The Memorandum and submissions are summarized and presented in section 7.0 of this report as Appendix 2.

b) Memorandum by Outdoor Advertising Association of Kenya (OAAK)

Hon. Speaker, the Outdoor Advertising Association of Kenya (OAAK) presented a memorandum to the Assembly on 2nd December, 2020. A summary of proposals in the petition as presented by OAAK and observations of the Committee are presented in section 7.0 of this report as appendix. 3.3

Submissions of Executive Committee Member for Finance and Economic Planning on the Machakos County Finance Bill 2020

Hon. Speaker, section 132(4) of the Public Finance Management Act provides 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. Pursuant to this provision, the County Executive Committee Member (CECM) for Finance and Economic Planning was invited by the Committee on 10th December, 2020 to give recommendations on the Finance Bill, 2020.

The CECM sent the Chief Officer Finance and Revenue Collection and the Director – Revenue Collection to represent him in the meeting. Based on the views of the public, memoranda from KAM and OAAK and Committee observations, the CECM made the following recommendations:

- i) On Miraa/Muguka; the Committee should adopt the proposals of traders during public participation to overcome the challenge of implementation or alternatively introduce annual permits (single business permit) like other businesses.
- ii) CSR program was a mistake and should be deleted as operating gambling slot machines was illegal.
- iii) Reserved parking charges which the public had proposed to be increased to Ksh. 10,000 can be increased to Ksh. 15,000 which was manageable.
- iv) Charges for building plans should remain as proposed except the communication masts which can be charged at the rate proposed by the public.
- v) Charges for structural drawing approval be tabulated in terms of actual amount to be paid by developers instead of rate per square foot or square metre. This will ensure that the public was able to know the amount expected to pay without relying on physical planners to calculate for them.

- vi) License on tree nurseries should be retained. The County does not charge farmers who have established tree nurseries in their farms and bring their seedlings to sell on market days. The County charges those who have established permanent nurseries at the markets or road reserves.
- vii) Charges under quarrying section should be deleted as they have been subject to court petitions and instead introduce single business permits for any entity undertaking quarrying business.
- viii) Advertising charges under liquor should be retained even though the public had proposed deletion. Businesses dealing in liquor do a lot of advertisements and thus needed separate charges different from those whose business is advertising.
- ix) Charges for graders and rollers should be deleted as the machines were not enough to be hired out and instead introduce charges for drilling rigs.
- x) Distribution charges / offloading charges be retained as proposed since distribution was a separate business from manufacturing. In addition, if distribution/loading charges are waived, this may be misused as majority of manufacturers engage separate entities to undertake distribution.
- xi) Garbage collection charges should be retained. Industries produce a lot of waste and it is dumped somewhere within the County which calls for its management and control.

4.0 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

Hon. Speaker, the Committee considered the views of the public collected during public participation, memoranda submitted by various bodies and submissions of the CECM – for Finance and Economic Planning. 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:

4.1 Hawking

Hon. Speaker, the Committee observed that hawkers were small-scale traders and have been affected by Covid-19. The Committee recommends that Small scale hawker permit per month be reduced as follows:

- a) In urban areas: from Ksh. 500 to Ksh. 300;
- b) In peri-urban areas: from Ksh. 300 to Ksh. 100; and
- c) In rural areas: from Ksh. 100 to Ksh. 50

4.2 Public Lavatories

Hon. Speaker, the Committee observed that the wards that had proposed reduction of charges did not have toilets for lease thus the public may have misunderstood this section. The Committee does not propose amendments to this section.

4.3 Non – Motorized Transport (Fees and charges on products)

Hon. Speaker, the Committee observed that the *bodaboda* businesses had been affected by Covid-19 and there was need to consider reduction of the charges. The committee recommends *bodaboda* – motorcycle permit per month be reduced from Ksh. 200 to Ksh. 100.

4.4 Sand Transportation

Hon. Speaker, the Committee observed that the public had proposed that sand harvesting charges be increased to protect the environment. The Committee also noted that the charges were negotiated with the sand dealers in 2019 and the charges should be allowed to operate for at least two years before review.

The Committee also observed that the public had proposed charges for pink soil to be increased. The Committee noted that there was a need to put some legal framework on pink soil and look for the market of the product before increasing the charges. This will ensure residents benefit from the exploitation of the soil. Thus the Committee does not propose amendments to this section.

4.5 Public Markets and Stalls

Hon. Speaker, on the proposals to increase some items under public market and stalls, the Committee observed as follows:

- a) Movement permit per head on chicken targeted traders in chicken and not farmers.
- b) Reducing charges for hardware (*mali*) from Ksh. 60 was not economical in revenue collection.
- c) Traders in clothing industry had been affected by Covid – 19 and increase of the charges would hurt the traders more.

From the above observations, the Committee does not propose amendments to this section.

4.6 Private, Residential and Commercial Rental Houses

Hon. Speaker, the Committee observed that permit on private residential and commercial houses was not clear on who will pay the proposed fees. Residents may be forced to pay permit when living in their own homes. The Committee recommends:

- a) That the title of this part be amended to read “Residential and Commercial rental houses.”
- b) Deletion of the word ‘private’ in the sentence “permit on private residential and commercial houses.”

4.6.1 Miraa / Muguka / Khat

Hon. Speaker, the Committee observed that majority of the members of the public proposed banning of *miraa/muguka/khat* trade in Machakos County or increasing charges due to their negative effects to the residents. The Committee also observed that traders wanted charges to be reduced to curb evasion. The Committee recommends that:

- a) Transportation permit per month (vehicle) be reduced from Ksh. 10,000 to Ksh. 5,000.
- b) *Bodaboda* transportation permit per month be reduced from Ksh. 5,000 to Ksh. 1,000.
- c) *Miraa* sellers permit per month be reduced from Ksh. 10,000 to Ksh. 1,000.
- d) *Miraa* sellers permit per annum be reduced from Ksh. 250,000 to Ksh. 10,000.

4.6.2 Gambling Slot Machines

Hon. Speaker, Members of the public observed that the public proposed penalties for operating gambling slot machines and renting of premises be increased. The Committee observed that the penalties were working and operations of the machines had declined and therefore the charges should be retained. The Committee recommends deletion of County CSR program (single slot purchase).

4.7 Parks and Open Spaces

Hon. Speaker, the public did not propose any changes to the charges and the Committee does not propose amendments to this section.

4.8 Parking

Hon. Speaker, the Committee observed that *bodaboda* operators had refused to pay charges of Ksh. 200 per month and agreed to the proposal on reduction to ensure they pay. The Committee also observed that charges on reserved parking were not revised when parking fees was increased from Ksh. 50 to Ksh. 100 in 2018. Further, KAM presented a memorandum to the Assembly requesting for exemption from paying distribution / loading charges for its members operating in Machakos County who have paid Single Business Permit (SBP). The public also requested for the distribution/loading charges to be reduced.

The Committee recommends:

- a) Motorcycle *taxi/bodaboda* per month be reduced from Ksh. 200 to Ksh. 100.
- b) Reserved parking per single slot per month be increased from Ksh. 10,000 to Ksh. 15,000.
- c) Distribution / loading charges be amended as follows:

		Urban	Peri-urban	Rural
(i)	Saloon car per day	100	100	100
(ii)	Saloon Car per year	10,000	10,000	10,000
(iii)	Pick up/ Van per day	100	100	100
(iv)	Pick up/ Van per year	10,000	10,000	10,000
(v)	Canter per day	200	200	200
(vi)	Canter per year	15,000	15,000	15,000
(vii)	Lorry /FH per day	500	500	500
(viii)	Lorry /FH per year	20,000	20,000	20,000
ix)	Trailer per day	500	500	500
(x)	Trailer per year	25,000	25,000	25,000

4.9 Building Plans

Hon. Speaker, Members of the public had proposed reduction on charges on drilling, holding of scrap metal, building inspection fee and penalty for building without approval and increase charges for communication masts. The Committee observed that there was need to encourage water supply by reducing charges for drilling boreholes in rural areas.

The Committee also observed that reducing charges for holding scrap metal would encourage vandalism. Further, the Committee observed that there was need to review penalty for building without approval as high charges encouraged corruption. On the communication masts, the Committee observed that the charge has not been reviewed since its introduction yet economic situations have been changing.

The Committee recommends:

- a) Building inspection fee be reduced from Ksh. 7,000 to Ksh. 5,000 in urban areas and Ksh. 2,000 in peri-urban and from Ksh. 3,500 to Ksh. 1,000 in rural areas to encourage developers.
- b) Penalty for building without approval of Ksh. 100,000 be deleted and substituted by 5 per cent of the total cost of the building plan.
- c) Payment of communication mast per mast p.a. be increased from Ksh. 200,000 to Ksh. 300,000.
- d) Approval of building plans per plan; per square foot Ksh. 10 in urban, peri-urban and rural be deleted;
- e) Insert new charges in: Approval of building plans per plan; 501 – 2000 square foot; Ksh.1,500 and Ksh. 1,000 in peri-urban and rural respectively;
- f) Insert new charges in: Approval of building plans per plan; for every additional 1000 square foot; Ksh. 200 and Ksh. 150 in peri-urban and rural respectively;
- g) Charges for Industry (warehouse and go downs) be deleted.

4.10 Parking Places and Omnibus/ Bus parks

Hon. Speaker, the public did not propose any changes to the charges and also the Committee does not recommend any amendments.

4.11 Licensing of Premises and Trade

Hon. Speaker, Members of the public had proposed reduction of charges to M-pesa agents and other agents combined and tree nurseries. The Committee observed that permits for M-pesa and other money transfers were reviewed downwards in 2018. In addition, most of the businesses were embracing cashless transactions thus earnings from money transfer services were on the increase hence there was no need to review the charges downwards.

On tree nurseries, the Committee observed that the charges targeted established florists operating on permanent locations hence there was no need to reduce the charges.

Further, the Committee observed that traders and especially wholesalers who delivered goods to their customers were facing serious challenges whereby they were required to pay charges as high as Ksh. 250,000 per year besides Single Business Permit. As a result, the Committee recommends a new charge under this section to be named, “wholesale and distribution per year for traders domiciled in the County” whose charges are as follows:

- a) With up to 5 vehicles, Ksh. 15,000;
- b) With up to 10 vehicles, Ksh. 50,000;
- c) With up to 30 vehicles, Ksh. 80,000;
- d) Above 30 vehicles, Ksh. 100,000;

4.12 Learning Institutions

Hon. Speaker, the Committee observed that learning institutions had been affected adversely by Covid – 19.

The Committee recommends:

- a) Application fee for registration be reduced from Ksh. 3,500 to Ksh. 1,000.
- b) Inspection per annual be reduced from Ksh. 5,000 to Ksh. 2,000.
- c) School bus private school parking per day during events be deleted.

4.13 Advertising

Hon. Speaker, the public proposed reduction of charges for umbrella like shade (branded) per day from Ksh. 2,000 to Ksh. 200. In addition, OAAK had proposed several amendments on advertising which the Committee reviewed.

The committee recommends as follows:

- a) Umbrella – like shade (branded) per day be reduced from Ksh. 2,000 to Ksh. 500.
- b) Branded tents per day be reduced from Ksh. 4,000 to Ksh. 1,000.
- c) Additional charges per square metre for illuminated signboard be reduced from Ksh.5,000 to Ksh. 3,000.
- d) Advertisement charges per m² per month for billboard/wall wraps be reduced from Ksh.300 to Ksh. 200.
- e) Annual ground rent per site on road reserve be reduced from Ksh. 150,000 to Ksh.20,000.
- f) Annual ground rent per site on private property be deleted.
- g) Billboards development fee (once per site) be reduced from Ksh. 120,000 to Ksh. 50,000.
- h) Application for clock advertisement be reduced from Ksh. 1,500 to Ksh. 1,000.
- i) Clock advertisement single-sided per year be reduced from Ksh. 10,000 to Ksh. 7,000.
- j) Wall branding between 3 – 5 sq. meter is reduced from Ksh. 20,000 to Ksh. 10,000.
- k) Wall branding, each additional sq. metre be reduced from Ksh. 5,000 to Ksh. 3,000.
- l) Signboards – Illuminated, each additional sq. metre be reduced from Ksh. 5,000 to Ksh.3,000.

4.14 Drainage and Sewerage

Hon. Speaker, the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.15 Taxi Cab

Hon. Speaker, the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.16 Business Permits

Hon. Speaker, the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.17 Quarrying

Hon. Speaker, the public proposed that court orders issued on quarrying charges be revisited before the enactment of the Bill. In addition, penalty for excavating without approval was lower than the charges and should be increased 100 per cent.

The Committee observed that two petitions namely: Constitutional Petition No.3 of 2020 by Truckers Association of Kenya (TAK) on quarry transportation charges such as loyalty fees and Constitutional Petition No.4 of 2020 by 23 quarry owners on charges on quarrying were filed to challenge the Machakos County Finance Act 2020. Both petitions quashed some charges under quarrying hence the need to review all the charges under this section.

Hon. Speaker, based on the public proposals, Committee observations and submissions of the CECM, the Committee recommends deletion of this section.

4.18 Pounds

Hon. Speaker, the public gave eight proposals on pounding and the Committee observed that most of these charges were very high and could be used to harass the public and also be avenue for corruption.

Based on the observations, the committee recommends as follows:

- a) Pounding fees for building items per item be deleted.
- b) Pounding fee for motorcycle be reduced from Ksh. 1,000 in urban areas and Ksh. 800 to Ksh. 100 in all areas.
- c) Release form fee be reduced from Ksh. 750 to Ksh. 100.
- d) Pounding fee for impounded goods/ items per item be deleted.
- e) Pounding fee for lorries be reduced from Ksh. 30,000 to Ksh. 7,500.
- f) Pounding fee for semi-trailer be reduced from Ksh. 40,000 to Ksh. 10,000.
- g) Pounding fee for canter be reduced from Ksh. 15,000 to Ksh. 5,000.
- h) Pounding fee for buses be reduced from Ksh. 10,000 to Ksh. 3,000.
- i) Pounding fee for matatus minibus be reduced from Ksh. 10,000 to Ksh. 3,000.
- j) Pounding fee for Nissan / pick-ups be reduced from Ksh. 10,000 to Ksh. 3,000.
- k) Pounding fee for car / taxis be reduced from Ksh. 6,000 to Ksh. 1,000.
- l) Pounding fee for sales vehicle be reduced from Ksh. 7,000 to Ksh. 1,500.
- m) Pounding fee for tractors / earth movers, plant equipment be reduced from Ksh. 20,000 to Ksh. 6,000.
- n) Enforcement / security fee be reduced from Ksh. 5,000 to Ksh. 2,000.
- o) Pounding fee for ox-cart be reduced from Ksh. 500 to Ksh. 50.
- p) Pounding fee for bicycles be deleted.

4.19 Slaughter Houses

Hon. Speaker, the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.20 Liquor

Hon. Speaker, the members of the public made five proposals to amend this section. They proposed that land/plot search, penalty for non-payment of liquor license and general retail alcoholic drink license be reduced and outdoor advertising be deleted. The Committee observed that traders in liquor businesses paid too many charges which cumulatively become a burden.

The Committee was informed by the CECM that land/plot search fee was used to locate liquor businesses to curb instances where a trader may use one permit for several premises. In addition, the Committee was informed by the CECM that liquor businesses undertake lots of advertisements to make their businesses visible and it was only fair that their advertisements be separate from the other advertisements.

Based on the proposals of the public and submissions of the CECM the Committee recommends as follows:

- i) Land / plot search fee for rural area be reduced from Ksh. 1,000 to Ksh. 500.
- ii) Application/inspection fee be reduced from Ksh. 2,000 to Ksh. 1,000.
- iii) Re-inspection fee after 6 months be deleted.
- iv) Penalty for non-payment of liquor license be applied at the rate of 2% of the liquor permit instead of Ksh. 20,000.
- v) General retail alcoholic retail license bar be reduced from Ksh. 20,000 to Ksh. 15,000 in urban; from Ksh. 15,000 to Ksh. 10,000 in peri-urban and from Ksh. 12,000 to Ksh. 7,000.
- vi) Night club be reduced from Ksh. 25,000 to Ksh. 15,000.
- vii) Alcohol pump (KEG) license be deleted as it was double taxation.
- viii) Penalty to for unlicensed alcohol pumps (Keg) (per outlet) be deleted.
- ix) For removing an alcoholic drink license be deleted.
- x) For the issue of an assurance under the Act be deleted.
- xi) Hotel alcoholic drink license be reduced from Ksh. 30,000 to Ksh. 15,000 in urban; from Ksh. 17,000 to Ksh. 10,000 in peri-urban and from Ksh. 8,000 to Ksh. 7,000.
- xii) Restaurant retail alcoholic drink license be reduced from Ksh. 20,000 to Ksh. 15,000 in urban; from Ksh. 17,000 to Ksh. 10,000 in peri-urban and from Ksh. 8,000 to Ksh. 7,000.
- xiii) General application fee be deleted since there was another charge which was similar, '*application / inspection of ksh. 2,000*'.
- xiv) Wines and spirits general retail alcoholic drink license be reduced from Ksh. 18,000 to Ksh. 15,000 in urban; from Ksh. 15,000 to Ksh. 10,000 in peri-urban and from Ksh. 12,000 to Ksh. 7,000.
- xv) Night club charges be reduced from Ksh. 70,000 to Ksh. 50,000 in urban; from Ksh. 25,000 to Ksh. 20,000 in peri-urban.
- xvi) Wholesale alcoholic drink license for each premise be reduced from Ksh. 50,000 to Ksh. 30,000 in urban, peri-urban and rural areas.

4.21 Control of Water Supplies

Hon. Speaker, the public did not propose amendments in this section and therefore the committee does not recommend amendments to the proposed charges.

4.22 Refuse Receptacle and Collection

Hon. Speaker, Kenya Association of Manufacturers (KAM) had questioned the justification of charging garbage collection and authority letter to transport and dispose waste per month when the County did not provide services of garbage collection to manufacturers and did not have dump sites and requested for deletion of the charges.

The CECM informed the Committee that the areas around the premises are cleared / cleaned regularly while it is the responsibility of the premise owner to clean their premise and dispose the waste accordingly. In addition, manufacturing entities produce tonnes of waste which is dumped somewhere within the County. In this regard, the CECM submitted that the fees be retained.

Based on the submission of the CECM, the Committee does not recommend amendments to this section.

4.23 Restaurant, Eating House and Snack Bar

Hon. Speaker, Members of the public proposed reduction of charges for hire of grader per hour from Ksh. 8,000 to Ksh. 2,000 and hire of roller per hour be reduced from Ksh. 5,000 to Ksh. 1,000.

The Committee observed that the public proposals were very low. In addition, the County did not have adequate graders for hire and did not have rollers. The CECM urged the Committee to delete charges for graders and rollers.

Hon. Deputy Speaker: Hon. Chair, I would like you to look at that number on the heading and the content; they seem to be different. The heading is on restaurant eating house and snack bar and you are talking about grading.

Hon. Mwanthi: Thank you, Hon. Speaker. The reason is because that is where it was put on the Act itself; that is how it is on the Act, so the committee just responded exactly where they had inserted the charges.

Hon. Deputy Speaker: So, you might need to move for an amendment of the heading of it because if they had put it there, it is a mistake definitely. We cannot be having a heading, 'Restaurant, Eating House and Snack Bar' and the content is talking about hiring of graders. So, you might have to move an amendment when it comes to debate for that to be changed because the two are not going hand in hand.

Hon. Mwanthi: Thank you, Hon. Speaker. Although I believe in the recommendation you will find the whole thing is deleted, so it will not be found anywhere in the report.

Based on the views of the public, Committee observations and submissions of the CECM, the Committee recommends as follows:

- a) Hire of grader per hour wet rate and dry rate be deleted.
- b) Hire of rollers per hour wet rate and dry rate be deleted

4.24 Public Cemetery

Hon. Speaker, the public did not propose amendments in this section and therefore the committee does not recommend amendments to the proposed charges.

4.25 Environment

Hon. Speaker, Members of the public proposed that penalty for urinating in undesignated places in urban areas be increased from Ksh. 100 to Ksh. 500. The County should also designate smoking zones in public areas such as markets and towns. In addition, Noise permit (NEMA) per instance be increased from Ksh. 5000 to Ksh. 10,000 per instance.

The Committee observed that increasing the charges may encourage evasion and corruption. Based on these observations, the Committee does not recommend amendments to the proposed charges in this section.

4.26 Land rates

Hon. Speaker, Members of the public requested that regularization and issuance of allotment letters be reduced from 10 per cent to 1 per cent of the current market value of the land. The Committee recommends that:

- (a) Regularization and issuance of allotment letters be reduced from 10 per cent to 1 per cent of the current market value.

4.27 Weights and Measures

Hon. Speaker, the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.28 Health

Hon. Speaker, Members of the public requested that charges under the laboratory section and radiology / X-Ray sections be reduced by half to make them affordable.

The Committee observed that the charges provided in the bill were low compared to what was charged by the private sector.

4.29 Agriculture

Hon. Speaker, Members of the public proposed setting up a retail fertilizer store within the sub-county of Mwala to make fertilizer more accessible to the residents. The Committee noted that proposal of setting up a fertilizer store in Mwala sub-county was the mandate of Department of Agriculture. The Committee therefore does not propose amendments to this section.

4.30 Survey

Hon. Speaker, the members of the public proposed that road opening dispute be reduced from Ksh. 3,000 to Ksh. 1,000 per application. The Committee observed that the charges were low and thus does not propose amendments to this section.

4.31 Gantry

Hon. Speaker, the members of the public did not propose amendments in this section and therefore the Committee does not recommend amendments to the proposed charges.

4.32 Single Business Permits - Schedule 4, 5 and 8

Hon. Speaker, traders in peri-urban areas proposed reduction of charges for kiosks light and Hawker without a motor vehicle and increase of charges for large industrial plant over 75 employees. The Committee observed that the charges did not cut across all areas i.e. urban, peri-urban and rural areas thus changing charges under peri-urban would result to distortion where traders in peri-urban would pay lower permits than rural areas.

Hon. Speaker, the CECM submitted that quarrying charges be deleted mainly because of the rulings made with respect to Constitutional Petition No.3 of 2020 by Truckers Association of Kenya (TAK) on quarry transportation charges such as loyalty fees and Constitutional Petition No.4 of 2020 by 23 quarry owners on charges on quarrying. In place of the charges, the CECM recommended introduction of Single Business Permit. Based on these submissions, the committee recommends as follows:

- a) Amend code 320 of schedule 4 to read: Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry below 8 tonne per trip (SBP) Ksh. 2,000;
- b) Insert a new clause code 321 in schedule 4: "Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry above 8 tonnes per trip (SBP) Ksh. 3,000;

- c) Insert a new clause code 322 in schedule 4: “Independent Transport Operator:1 vehicle - ballast and other crushed materials semi-trailer per trip (SBP) Ksh. 5,000;
- d) Insert a new clause code 845 of schedule 4: “Other manufacturer, factory and extraction industry fees and sale ballast and other crushed materials on-site per tonne (SBP), Ksh. 25.
- e) Amend code 320 of schedule 5 to read: Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry below 8 tonne per trip (SBP) Ksh. 2,000;
- f) Insert a new clause code 321 in schedule 5: “Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry above 8 tonnes per trip (SBP) Ksh. 3,000;
- g) Insert a new clause code 322 in schedule 5: “Independent Transport Operator:1 vehicle - ballast and other crushed materials semi-trailer per trip (SBP) Ksh. 5,000;
- h) Insert a new clause code 845 of schedule 5: “Other manufacturer, factory and extraction industry fees and sale ballast and other crushed materials on site per tonne (SBP), Ksh. 25.
- i) Amend code 320 of schedule 8 to read: Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry below 8 tonne per trip (SBP) Ksh. 2,000;
- j) Insert a new clause code 321 in schedule 8: “Independent Transport Operator:1 vehicle - ballast and other crushed materials lorry above 8 tonnes per trip (SBP) Ksh. 3,000;
- k) Insert a new clause code 322 in schedule 8: “Independent Transport Operator:1 vehicle - ballast and other crushed materials semi-trailer per trip (SBP) Ksh. 5,000;
- l) Insert a new clause code 845 of schedule 8: “Other manufacturer, factory and extraction industry fees and sale ballast and other crushed materials on site per tonne (SBP), Ksh. 25.

Hon. Speaker, in conclusion, 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 consideration of the Bill. The Committee further acknowledges the valuable input given by the Hon. Members of the Assembly at different meetings held with them.

In addition, the Committee appreciates the County Executive Committee Member for Finance and Economic Planning for his submissions and recommendations to the Bill. The Committee is also thankful to the Kenya Association of Manufacturers (KAM), Outdoor Advertising Association of Kenya (OAAK) 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 Hon. 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 2020 in this Hon. House for consideration and adoption. Thank you, Hon. Speaker.

Hon. Deputy Speaker: Thank you, Hon. Steve Mwanthi, for that report well-read.

(Question proposed)

Hon. Members, the information which has been given by the chair in the report is weighty and it requires us to look at it. It requires us to go through the proposals they have given, check on all the areas which he has highlighted and check on the issues raised, especially where he says delete this, delete that, include this, include that.

So, this House is going to adjourn to continue with the debate in the afternoon and give Hon. Members time to go and look at the report as it is and then when we resume again at 2:30p.m., we will be more informed in terms of debating on this document which is going to determine the rates which are going to be charged to our people over the next one year.

So, I recommend that you go and look at the report again. Look at the clauses, look at the Bill itself, look at where the amendments are being made, familiarize yourselves with them so that when we resume in the afternoon, you can all be conversant and contribute effectively to this Bill.

ADJOURNMENT

Hon. Deputy Speaker: The House stands adjourned to resume on Wednesday, 3rd March, 2021 at 2.30 p.m.

The House rose at 11.16 a.m.