



REPUBLIC OF KENYA

PARLIAMENT

SENATE BILLS

(Bill No. 39 of 2023)

**THE COUNTY PUBLIC FINANCE LAWS
(AMENDMENT) BILL, 2023**

(A Bill published in the Kenya *Gazette* Supplement No. 159 of 1st September, 2023 and passed by the Senate, with amendments, on 15th April, 2025)



THE COUNTY PUBLIC FINANCE LAWS (AMENDMENT) BILL, 2023

A Bill for

AN ACT of Parliament to amend the County Assembly Services Act and the Public Finance Management Act; and for connected purposes.

ENACTED by the Parliament of Kenya, as follows —

Short title. **1.** This Act may be cited as the County Public Finance Laws (Amendment) Act, 2023.

Amendment of section 2 of No. 24 of 2017. **2.** Section 2 of the County Assembly Services Act is amended by deleting the definition of the word “fund”.

Amendment of section 31 of No. 24 of 2017. **3.** Section 31 of the County Assembly Services Act is amended by deleting subsection (5).

Amendment of section 31 of No. 24 of 2017. **4.** Section 32 of the County Assembly Services Act is amended by deleting subsection (3).

Deletion of section 34 of No. 24 of 2017. **5.** The County Assembly Services Act is amended by deleting section 34.

Insertion of new sections in No. 18 of 2012. **6.** The Public Finance Management Act is amended by inserting the following new sections immediately after section 109 —

Establishment of County Assembly Fund. **109A.** (1) There is established for each county a fund to be known as the County Assembly Fund.

(2) There shall be paid into the County Assembly Fund —

- (a) such monies as may be appropriated by the County Assembly from the County Revenue Fund established for each county; and

- (b) such money as may be allocated for that purpose from investments, fees, or levies administered by the County.

(3) The Clerk of a County Assembly shall be the administrator of the County Assembly Fund.

(4) The administrator of a County Assembly Fund shall ensure that the earnings and accruals of the Fund are retained in the Fund and spent only for the purposes for which the Fund is established.

(5) The administrator of a County Assembly Fund shall—

- (a) arrange for the County Assembly Fund to be kept in the Central Bank of Kenya in an account to be known as the County Assembly Fund Account; and

- (b) ensure that all money authorised to be paid by the County Assembly for a public purpose is paid from that account without undue delay.

(6) The administrator of a County Assembly Fund shall ensure that at no time is the County Assembly Fund Account overdrawn.

(7) The administrator of a County Assembly Fund shall obtain the written approval of the Controller of Budget before withdrawing money from the County Assembly Fund Account under the authority of—

- (a) an Act of the County Assembly that appropriates money for a public purpose;
- (b) an Act of Parliament or county legislation that imposes a charge on that County Assembly Fund; or
- (c) this Act in accordance with sections

134 and 135.

(8) The approval of the Controller of Budget to withdraw money from a County Assembly Fund, together with written instructions from the administrator of the Fund requesting for the withdrawal, is sufficient authority for the approved bank where that County Assembly Service Fund Account is held to pay amounts from this account in accordance with the approval and the instructions.

(9) The administrator of a County Assembly Fund shall ensure that all payments made from the County Assembly Fund subject to approvals from the Controller of Budget shall be strictly in line with the requisitions made and for the purpose requested.

(10) Financial reports shall be submitted to the Commission on Revenue Allocation with a copy to the Controller of Budget.

Utilization of the
Fund

109B. The Fund shall be used –

- (a) to defray the administrative expenses of the County Assembly; and
- (b) for the acquisition and proper maintenance of buildings, grounds and other assets of the County Assembly; and

Monies to be
retained in the
Fund

109C. All receipts, savings and accruals to and the balance of the County Assembly Fund at the end of each financial year shall be retained in the County Assembly Fund and applied in accordance with the Constitution and this Act.

Authority to incur expenditure.

109D. (1) The Clerk of a County Assembly may, in writing, authorize a member of staff of the County Assembly to incur expenditure for the efficient management of the County Assembly.

(2) The authority to incur expenditure shall be accompanied by guidelines on its usage.

Disbursement to county assembly fund.

109E. (1) The County Treasury shall, at the beginning of every month, and in any event not later than the fifteenth day from the commencement of the month, disburse monies to the County Assembly Fund for the expenditure of the following month.

(2) The disbursement referred to in subsection (1) shall be done in accordance with a schedule prepared by the County Treasury and submitted to the County Assembly for approval together with the County Appropriation Bill under section 129(7).

Insertion of new section in No. 18 of 2012

7. The Public Finance Management Act is amended by inserting the following new section immediately after section 119—

Access to Internet Banking user rights.

119A. The Controller of Budget shall have viewer rights access to all bank accounts maintained by the county executive, the county assembly and all other county government entities.

Amendment of section 134 of No. 18 of 2012.

8. Section 134 of the Public Finance Management Act is amended in subsection (1) by inserting the words “or County Assembly Fund” immediately after the words “County Revenue Fund”.

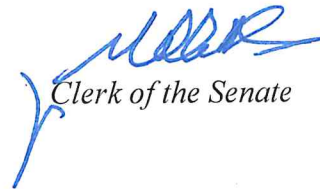
Amendment of section 136 of No. 18 of 2012.

9. Section 136 of the Public Finance Management Act is amended by deleting subsection (2) and substituting therefor the following new subsection—

(2) If, at the end of a financial year, a county government entity is holding appropriated money that was

withdrawn from the County Exchequer Account or the County Assembly Fund Account but has not been spent, it shall repay the unspent money to the County Exchequer Account or the County Assembly Fund Account as the case may be and prepare a refund statement which shall be forwarded to the Controller of Budget.

I certify that this printed impression is a true copy of the Bill as passed by the Senate on Tuesday, 15th April, 2025.



Clerk of the Senate

Endorsed for presentation to the National Assembly in accordance with the provisions of standing order 161(1) of the Senate Standing Orders.



Speaker of the Senate

