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THE KISUMU COUNTY EMERGENCY FUND BILL, 2018

A Bill for

AN ACT of the County Assembly of Kisumu to provide for the establishment of an Emergency Fund and for connected purposes

ENACTED by the County Assembly of Kisumu, as follows—

PART I—PRELIMINARY

Short title

1. This Act may be cited as the Kisumu County Emergency Fund Act, 2018.

Interpretation

2. In this Act, unless the context otherwise requires—

“appropriation” means funds provided for to pay for the supply of services;

“County” means the County Government of Kisumu;

“County Assembly” means the County Assembly of Kisumu County;

“Fund” means the County Emergency Fund established under section 3 of this Act;

“County Executive Committee Member” means the County Executive Committee member responsible for finance;

“financial year” means the period of twelve months ending on thirtieth day of June.

PART II—EMERGENCY FUND

Establishment of the County Emergency Fund

3. (1) There is established a Fund to be known as the Kisumu County Emergency Fund.

(2) The Fund shall consist of—

(a) monies appropriated by the County Assembly; and

(b) grants and donations made into the Fund.

(3) The County Assembly shall, in appropriating monies under subsection (2)(a) in each financial year, ensure that the monies contained in the Fund are 0.5 per cent of the County’s budget.
Purpose of the Fund

4. The object and purpose of the Fund is to enable payments to be made in respect of a County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

Officer responsible for administering the Fund

5. (1) The County Executive Committee Member shall be responsible for administering the Fund.

(2) The County Executive Committee Member shall open and maintain a separate account into which all money appropriated to that Fund shall be paid.

Power of County Executive Committee Member

6. (1) The County Executive Committee Member may make payments from the Fund only if satisfied that—

(a) there is an urgent and unforeseen need for the expenditure for which there is no legislative authority; and

(b) it is for the public interest; and

(c) an event has caused a damage, loss, hardship or suffering to residents of the County or threatens to damage the environment and the event is limited to the County.

(2) For the purposes of subsection (1)—

(a) there is an urgent and unforeseen need for expenditure if, in the opinion of the County Executive Committee Member—

(i) payment cannot be delayed until a later financial year without harming the general public interest of the County;

(ii) the payment is meant to alleviate the damage, loss, hardship or suffering which may be caused directly by the event; and

(iii) the damage caused by the event is on a small scale and limited to the county.

(b) Unforeseen event is one which—

(i) threatens human life or welfare; or

(ii) threatens damage to the environment.

Limitation on power of County Executive Committee Member

7. The County Executive Committee Member shall not, during a financial year, make a payment under section 6 if the payment exceeds
two per cent of the total County Government's revenues as shown in that County's audited financial statements for the previous financial year except for the first year.

Accruals

8. All receipts, earnings and accruals to the Fund and the balance of the Fund at the close of the financial year shall be retained by the Fund for the purpose for which it is established.

Approval of County Assembly

9. (1) The County Executive Committee Member shall notify the County Assembly in writing within two months after payment is made out of the Fund.

(2) If the County Assembly is not sitting during the period referred to in subsection (1) and the County Executive Committee Member has not sought the approval of the County Assembly before the end of that period, the County Executive Committee Member shall seek the approval of the County Assembly for the payment within fourteen days after it next sits.

(3) As soon as practicable after the County Assembly has approved the payment, the County Executive Committee Member shall arrange for an Appropriation Bill to be introduced into the County Assembly for the appropriation of the money paid and for the replenishment of the Fund to the extent of the amount of the payment.

Financial Statement

10. (1) Within three months after the end of each financial year, the County Treasury shall prepare and submit to the Auditor General a financial statement in respect of the Fund for that year.

(2) The financial statement prepared under subsection (1) shall include the following information —

(a) the date and the amount of each payment;

(b) the person to whom the payment was made;

(c) the purpose for which the payment was made;

(d) whether the person to whom the payment was made spent the money for that purpose and a statement made to that effect;

(e) if the person to whom the payment has been made has not spent the money for that purpose, a statement specifying the reasons for not having done so; and
(f) a statement indicating how the payment conforms to section 6 of this Act, the legislation or the policy of the County relating to disaster management.

**Regulations**

11. The County Executive Committee Member may make regulations for the better carrying out of the provisions of this Act.
MEMORANDUM AND OBJECTS OF REASON

The Principal object of this Bill is to provide for the establishment of an emergency Fund for the County.

PART I of the Bill provides for preliminary provisions.

PART II of the Bill provides for the Establishment of the county Emergency Fund, purpose of the Fund, administration of the Fund and powers of the County Executive Committee Member.

This part also provides for the limitation of powers of the Executive member, approval of payments by the county Assembly, preparation of financial statements and Regulations.

Dated the 24th August, 2018.

STEPHEN OUMA OWITI,
Chairperson Budget and Appropriation Committee.