



#### REPUBLIC OF KENYA THE NATIONAL ASSEMBLY THIRTEENTH PARLIAMENT – THIRD SESSION – 2024

#### DIRECTORATE OF DEPARTMENTAL COMMITTEES DEPARTMENTAL COMMITTEE ON LANDS

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#### REPORT ON THE CONSIDERATION OF THE SENATE AMENDMENTS TO THE NATIONAL RATING BILL (NATIONAL ASSEMBLY BILL NO. 55 OF 2022)

CLERK'S CHAMBERS DIRECTORATE OF DEPARTMENTAL COMMITTEES PARLIAMENT BUILDINGS NAIROBI

JUNE 2024

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#### CHAIRPERSON'S FOREWORD

This report contains proceedings of the Departmental Committee on Lands on its consideration of the Senate Amendments to National Rating Bill (*National Assembly Bills No. 55 of 2022*).

The National Assembly considered the National Rating Bill, 2022 (National Assembly Bill No. 22 of 2023) and passed it with amendments on 11<sup>th</sup> October 23 and forwarded the same to the Senate for concurrence pursuant to the provisions of Standing Order 144 and Article 110 of the Constitution. The Senate considered the Bill and passed it with amendments on 9th May, 2024 and referred back to the National Assembly for consideration in accordance with Article 112 of the Constitution.

The Senate amendments to the Bill were subsequently referred to the Departmental Committee on Lands for consideration and reporting back to the House.

The Committee considered the proposed amendments to the Bill and recommended that the House approves Clauses 14, 29 and 32(a) and rejects the proposed amendments to Clauses 2, 12, 20, 30, 32(b)&(c), 34, 56, new clause 24A and new clause 30A.

On behalf of the Departmental Committee on Lands and pursuant to provisions of Standing Order 199 (6), it is my pleasant privilege and honour to present to this House the Report of the Committee on its consideration of the Senate Amendment to the National Rating Bill (*National Assembly Bill No. 55 of 2022*) with recommendation that the Bill be **approved and rejects some of the Senate amendments to the Bill as reported by the Committee**.

> Hon. Joash Nyamache Nyamoko, M.P. Chairperson, Departmental Committee on Lands

#### PART I

#### PREFACE

#### 1.0 Establishment of the Committee

- 1. The Departmental Committee on Lands is one of the twenty Departmental Committees of the National Assembly established under **Standing Order 216** whose mandates pursuant to the **Standing Order 216 (5)** are as follows:
  - i. To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;
  - *ii.* To study the programme and policy objectives of ministries and departments and the effectiveness of the implementation;
  - iii. On a quarterly basis, monitor and report on the implementation of the national budget in respect of its mandate;
  - iv. To study and review all legislation referred to it;
  - v. To study, assess and analyze the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;
  - vi. To investigate and inquire into all matters relating to the assigned ministries and departments as they may deem necessary, and as may be referred to them by the House;
  - vii. To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (Committee on Appointments);
  - viii. To examine treaties, agreements and conventions;
  - ix. To make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;
  - x. To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and
  - xi. To examine any questions raised by Members on a matter within its mandate.

#### 1.1 Subject of the Committee

- 2. In accordance with the Second Schedule of the Standing Orders, the Committee is mandated to oversee: matters related to lands and settlement including, land policy, land transactions, survey & mapping, land adjudication, settlement, land registration, land valuation, administration of community and public land and land information and management system.
- 3. In executing its mandate, the Committee oversees the following government ministries and departments and agencies (MDAs), namely:
  - i. The State Department for Lands and Physical Planning
  - ii. The National Land Commission

#### 1.2 Committee Membership

4. The Departmental Committee on Lands was constituted by the House on 27th October, 2022 and comprises of the following Members:

#### Chairperson Hon. Joash Nyamache Nyamoko, MP

North Mugirango Constituency UDA Party

> Vice-Chairperson Hon. Jayne Kihara, MP Naivasha Constituency UDA Party

#### Members

Hon. Dr. Rachael Kaki Nyamai, MP Kitui South Constituency Jubilee Party

Hon. Dr. Gideon Ochanda, MP Bondo Constituency **ODM Party** 

Hon. Mathias Robi Nyambabe, MP Kuria West Constituency **UDA Party** 

Hon. George Koimburi, MP Juja Constituency **UDA Party** 

Hon. Paul Katan, MP Kaloleni Constituency **ODM Party** 

Hon. Josses Lelmengit, MP Emgwen Constituency **UDA Party** 

Hon. Gachoki Gitari, MP Kirinyaga Central Constituency **UDA Party**  Hon. Joseph Hamisi Dena, MP Nominated ANC Party

Hon. Esther M. Passaris, MP Women Representative Nairobi County **ODM Party** 

Hon. Ali Wario Guyo, MP Garsen Constituency **ODM Party** 

Hon. Omar Mwinyi, MP Changamwe Constituency **ODM Party** 

Hon. Thaddeus Nzambia, MP Kilome Constituency WIPER Party

Hon. Anthony Kenga Mupe, MP Rabai Constituency JUBILEE Party

#### 1.3 Committee Secretariat

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5. The Committee is facilitated by the following staff:

Mr. Joshua Ondari Clerk Assistant I/Head of Secretariat

Mr. Binensa Mabungu Clerk Assistant III

Mr. Sidney Lugaga Senior Legal Counsel

Ms. Mary Kamande Hansard Officer III

Ms. Fridah Ngari Media Relations Officer

Mr. Yeziel Jillo Serjeant At – Arms Ms. Judith Kiprop Fiscal Analyst

Ms. Brenda Michira Research Officer III

Ms. Mary Kamande Protocol Officer

Mr. Cosmas Akhonya Audio Officer

#### PART II

### 2.0 BACKGROUND ON THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILLS NO. 55 OF 2022)

- 6. The National Rating Bill (National Assembly Bill No. 55 of 22) was published vide a Kenya Gazette Supplement No. 185 on 15<sup>th</sup> November, 2022 as a Bill to provide a comprehensive legislative framework for imposition of property rates on land and buildings by county government; to provide for the valuation of rateable property; to provide for appointment functions and powers of property valuers; to provide for establishment, powers and functions of the National Rating Tribunal and for connected purposes.
- 7. The National Assembly considered the said Bill and passed it on Wednesday, 11<sup>th</sup> October, 2023 with amendments and referred the Bill to the Senate for consideration. The Senate considered and passed the said Bill on Thursday, 9<sup>th</sup> May, 2024 with amendments as contained in this Report.
- 8. In this regard, the Senate amendments were subsequently committed to the Departmental Committee on Lands for consideration and reporting to the House.

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#### PART III

#### 3.0 OVERVIEW OF THE SENATE AMENDMENTS TO THE NATIONAL RATING BILL (NATIONAL ASSEMBLY BILL NO. 55 OF 2022)

9. The following amendments to the National Rating Bill (National Assembly Bills No. 55 of 2022) were passed by the Senate on Thursday, 9 <sup>th</sup> May, 2024 —

#### CLAUSE 2

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10. THAT clause 2 of the Bill be amended by deleting —

(a) the definition of the term 'occupier' and inserting therefor the following new definition

"occupier" means, in relation to rateable property, a person who is in physical possession of premises, or a person who has control over the premises, where the rateable owner is unknown;

(b) the definition of the term 'valuation roll' and inserting therefor the following new definition—

"valuation roll" means a roll prepared in accordance with this Act;

(c) the definition of 'Chief Government Valuer' and inserting the following new definition

"Chief Government Valuer" means a valuer appointed under section 24A.

#### CLAUSE 12

- 11. THAT clause 12 of the Bill be amended in
  - (a) subclause (3) by inserting the words 'and the Council of County Governors' immediately after the words 'National Land Commission'.
  - (b) subclause (4) by inserting the words 'in consultation with the Council of County Governors' immediately after the words 'The Cabinet Secretary may'.

#### CLAUSE 14

- 12. THAT clause 14 be amended by inserting the following new subclause immediately after subclause (3)
  - (4) The amount of the rates set under subsection (1) shall not exceed four per cent of the unimproved 'value of the rateable property.

#### CLAUSE 20

- 13. THAT clause 20 of the Bill be amended in
  - (a) subclause (2) by inserting the words 'and the Council of County Governors' immediately after the words 'the Cabinet Secretary'.
  - (b) subclause (6) by deleting the words 'recommend to the Cabinet Secretary Ministry of Lands to further review before submission' and inserting therefor the word 'submit'.

#### CLAUSE 29

14. THAT clause 29 of the Bill be amended in subclause (1) by deleting the word 'five' appearing immediately after the words 'undertaken in every' and inserting therefor the word 'ten'.

#### CLAUSE 30

15. THAT clause 30 of the Bill be amended by deleting — (a) subclause (4);

(b) sub clause (5); and

(c) subclause (6).

#### CLAUSE 32

- 16. THAT clause 32 of the Bill be amended -
  - (a) in subclause (3) by inserting the words 'of preparing a report under subsection (4)' immediately after the words 'Valuer for purposes';
  - (b) in subclause (6) by deleting the word 'tabling' appearing immediately after the words 'county assembly for' and inserting therefor the word 'approval'.
  - (c) by inserting the following new subclauses immediately after subclause (6)
    - (7) The County Assembly shall, within sixty (60) sitting days of submission under subsection (6), by resolution approve or reject the draft valuation roll or draft supplementary valuation roll.
    - (8) Where the County Assembly fails to make a resolution within the period under subsection (7), the draft valuation roll or draft supplementary valuation roll shall be deemed to have been approved.

#### CLAUSE 34

17. THAT clause 34 of the Bill be amended in subclause (6) by deleting the word 'may' appearing immediately after the words 'a county government' and inserting therefor the word "shall".

#### CLAUSE 56

- 18. THAT clause 56 of the Bill be amended in
  - (a) subclause (1) by deleting the word 'may' appearing immediately after the words 'The Cabinet Secretary' and inserting therefor the words 'shall, in consultation with the Council of County Governors, '
  - (b) subclause (2) by deleting the word 'may', appearing immediately after the words "the Cabinet Secretary" and inserting therefor the words "shall, in consultation with the Council of County Governors,".
  - (c) subclause (2) by inserting the following new paragraph immediately after paragraph (a)
    - (aa) the technological systems to be used in the preparation and implementation of the valuation roll or the supplementary valuation roll.

#### NEW CLAUSE 24A

19. THAT the Bill be amended by inserting the following new clauses immediately after clause 24<sup>-</sup>

#### Chief Government Valuer 24A.

- (1) There shall be a Chief Government Valuer who shall be the principal advisor to the National Government and County governments on all matters relating to valuation
- (2) The Chief Government Valuer shall be appointed by the Public Service Commission through a competitive recruitment process

Qualification of the<br/>Chief Government24B. (1) A person is qualified for appointment as the Chief<br/>Government Valuer if that person —Valuer.(a) is a citizen of Kenya;

- (b) has a minimum of a Bachelor's degree from a university recognized in Kenya in — (i) land economics;
  - (ii) real estate; or;

(iii)any other relevant field;

- (c) has at least fifteen years' experience in the valuation practice;
- (d) is a full member of the Institution of Surveyors of Kenya (Chapter on Valuation) and in good standing; and
- (e) meets the requirements of Chapter Six of the Constitution.

#### NEW CLAUSE 30A.

20. THAT the Bill be amended by inserting the following new Clause immediately after clause 30\_

Supplementary Valuation Roll 30A.

(1) The county government shall, in preparing a valuation roll, rely on data or information that was used in the preparation of the valuation roll to assign values to be adopted on the properties contained in a supplementary valuation roll.

- (2) A supplementary valuation roll shall include only those alterations and additions to the valuation roll which are permitted by this section.
- (3) The draft supplementary valuation roll shall take into account —

- (a) rateable property omitted from valuation;
- (b) new rateable property;

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- -

- (c) rateable property which is subdivided or consolidated with other rateable property; and,
  - (d) re-categorization of the rate on the change of use of the rateable property.

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#### PART IV

#### 4.0 COMMITTEE OBSERVATIONS

21. Having considered the Senate Amendments to National Rating Bill, 2022 the Committee made the following observations:

#### CLAUSE 2

22. THAT clause 2 of the Bill be amended by deleting ----

(a) the definition of the term 'occupier' and inserting therefor the following new definition

"occupier" means, in relation to rateable property, a person who is in physical possession of premises, or a person who has control over the premises, where the rateable owner is unknown;

Observation: The Committee may reject the proposal as it does not address any mischief as the definition address an occupier as a person who has control over rateable property.

(b) the definition of the term 'valuation roll' and inserting therefor the following new definition—

"valuation roll" means a roll prepared in accordance with this Act;

Observation: The Committee rejected the proposal as it does not address any mischief to the extent that the existing provision is not ambiguous as it provides that a valuation roll is one prepared in accordance with clause 29 of the Bill. Clause 29 of the Bill clearly provides for the Preparation of valuation rolls and supplementary valuation rolls.

(C) the definition of 'Chief Government Valuer' and inserting the following new definition

"Chief Government Valuer" means a valuer appointed under section 24A.

Observation: The Committee rejected the proposal as it does not address any mischief to the extent that the existing provision is not ambiguous in defining the meaning of the term "Chief Government Valuer"

#### CLAUSE 12

23. THAT clause 12 of the Bill be amended in —

(a) subclause (3) by inserting the words 'and the Council of County Governors' immediately after the words 'National Land Commission'.

Observation: The Committee rejected the proposed amendment. The Committee rejected the proposal to insert the Council of County Governors in the consultation on prescribing guidelines on payment of royalties to the extent that Article 62(3) of the Constitution

provides that Public land classified with natural resources, forestry land shall vest in and be held by the national government in trust for the people of Kenya and shall be administered on their behalf by the National Land Commission.

(b) subclause (4) by inserting the words 'in consultation with the Council of County Governors' immediately after the words 'The Cabinet Secretary may'.

Observation: The Committee rejected the proposed amendment to the extent that the proposal rejects fails to acknowledge that clause 4(1) of the Bill, the Cabinet Secretary shall exercise regulation making powers in accordance with Articles 10, 210 and 232 of the Constitution by ensuring that there is democracy and participation of the people in the process of enacting regulations.

#### CLAUSE 14

- 24. THAT clause 14 be amended by inserting the following new subclause immediately after subclause (3)
  - (4) The amount of the rates set under subsection (1) shall not exceed four per cent of the unimproved 'value of the rateable property.

## Observation: The Committee accepted the proposed amendment. The effect of the proposal is to insert a new sub clause providing for a cap on the rate calculation percentage at no more than 4% of the value of a property listed in the valuation roll.

#### CLAUSE 20

- 25. THAT clause 20 of the Bill be amended in
  - (a) subclause (2) by inserting the words 'and the Council of County Governors' immediately after the words 'the Cabinet Secretary'.

## Observation: The Committee rejected the proposed amendment to the extent that the National Land Commission administers public land on behalf of the county governments in accordance with Article 62 of the Constitution.

b) subclause (6) by deleting the words 'recommend to the Cabinet Secretary Ministry of Lands to further review before submission' and inserting therefor the word 'submit'.

#### Observation: The Committee rejected the proposed amendment. The contribution in lieu of rates for National Government are made in respect of the following categories of land, namely-

- a) Land owned and registered in the name of National Government
- b) Land occupied by National Government Institutions
- c) Gazetted forests
- d) Land allocated to private entities by National Government but whose titles have not been registered yet.

It is therefore not prudent to remove the role of the Cabinet Secretary in charge of land matters who is the custodian of land registration records from auditing valuation rolls

## Observation: The Committee accepted the proposed amendment. The Committee resolved that this proposal sought to bring clarity to sub-clause (3) as it lacked clarity.

(b)in subclause (6) by deleting the word 'tabling' appearing immediately after the words 'county assembly for' and inserting therefor the word 'approval'.

Observation: The Committee rejected the proposed amendment. The effect of the proposal is to provide that the draft valuation roll or draft supplementary valuation roll shall be submitted to the county assembly for tabling.

- (c) by inserting the following new subclauses immediately after subclause (6)
  - (9) The County Assembly shall, within sixty (60) sitting days of submission under subsection (6), by resolution approve or reject the draft valuation roll or draft supplementary valuation roll.
  - (10) Where the County Assembly fails to make a resolution within the period under subsection (7), the draft valuation roll or draft supplementary valuation roll shall be deemed to have been approved.

## *Observation: The Committee rejected the proposed amendment. There is no need of describing the timelines in the Act.*

#### CLAUSE 34

29. THAT clause 34 of the Bill be amended in subclause (6) by deleting the word 'may' appearing immediately after the words 'a county government' and inserting therefor the word "shall".

Observation: The Committee rejected the proposed amendment. The effect of the proposal is to make it mandatory for each county government to provide in its county legislation that a County Valuation Board shall be constituted to hear and determine objections valuation or supplementary valuation roll.

#### CLAUSE 56

- 30. THAT clause 56 of the Bill be amended in
  - (a) subclause (1) by deleting the word 'may' appearing immediately after the words 'The Cabinet Secretary' and inserting therefor the words 'shall, in consultation with the Council of County Governors, '

Observation: The Committee rejected the proposed amendment. The effect of the proposal is to make it mandatory for the Cabinet Secretary to consult the Council of Governors when making regulations under the Bill.

as it may lead to National Government making contribution in lieu of rates for the same land that is already alienated for private entities hence leading to double payment.

#### CLAUSE 29

26. THAT clause 29 of the Bill be amended in subclause (1) by deleting the word 'five' appearing immediately after the words 'undertaken in every' and inserting therefor the word 'ten'.

Observation: The Committee accepted the proposed amendment. The proposed amendment to provide that the preparation of a valuation roll should be undertaken every ten (10) years rather than five (5) years.

#### CLAUSE 30

27. THAT clause 30 of the Bill be amended by deleting —

(a) subclause (4);

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

(b) sub clause (5); and

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

(c) subclause (6).

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

#### CLAUSE 32

28. THAT clause 32 of the Bill be amended -

(a) in subclause (3) by inserting the words 'of preparing a report under subsection (4)' immediately after the words 'Valuer for purposes';

(b)subclause (2) by deleting the word 'may', appearing immediately after the words "the Cabinet Secretary" and inserting therefor the words "shall, in consultation with the Council of County Governors,".\_\_\_\_\_

# Observation: The Committee rejected the proposed amendment to the extent that the proposal rejects fails to acknowledge that clause 4(1) of the Bill, the Cabinet Secretary shall exercise regulation making powers in accordance with Articles 10, 210 and 232 of the Constitution by ensuring that there is democracy and participation of the people in the process of enacting regulations.

subclause (2) by inserting the following new paragraph immediately after paragraph (a)

(aa) the technological systems to be used in the preparation and implementation of the valuation roll or the supplementary valuation roll.

Observation: The Committee rejected the proposed amendment to the extent that clause 6 of the Bill expressly provides guidelines stating that each county government shall establish or employ appropriate technological system in the preparation and implementation of the valuation roll or the supplementary valuation roll and there was not justification in limiting the freedom of counties in adopting the most appropriate technological system in the preparation and implementation of the valuation roll or the supplementary valuation roll.

#### **NEW CLAUSE 24A**

31. THAT the Bill be amended by inserting the following new clauses immediately after clause 24 <sup>-</sup>

#### Chief Government Valuer 24A.

Qualification of the	24B. (1) A person is qualified for appointment as the Chief
Chief Government	Government Valuer if that person —
Valuer.	(f) is a citizen of Kenya;
	(a) has a minimum of a Bachelor's degree from

- (g) has a minimum of a Bachelor's degree from a university recognized in Kenya in — (i) land economics;
  - (ii) real estate; or;

(iii)any other relevant field;

- (h) has at least fifteen years' experience in the valuation practice;
- (i) is a full member of the Institution of Surveyors of Kenya (Chapter on Valuation) and in good standing; and
- (j) meets the requirements of Chapter Six of the Constitution.
- 32. There shall be a Chief Government Valuer who shall be the principal advisor to the National Government and County governments on all matters relating to valuation
- 33. The Chief Government Valuer shall be appointed by the Public Service Commission through a competitive recruitment process

Observation: The Committee rejected the proposed amendments on the basis that the purpose of the office of the Chief Government Valuer is to act as the principal advisor to the National Government and county governments on valuation, and therefore the job description is best determined by the Cabinet Secretary in consultation with the Public Service Commission. This is in addition to the fact that the proposal with no justification appears to favour a person appointed under the Survey Act, Cap.299 over a person appointed under the Valuers Act, Cap 532.

#### NEW CLAUSE 30A.

32. THAT the Bill be amended by inserting the following new Clause immediately after clause 30\_

Supplementary Valuation Roll 30A.

(1) The county government shall, in preparing a valuation roll, rely on data or information that was used in the preparation of the valuation roll to assign values to be adopted on the properties contained in a supplementary valuation roll.

- (4) A supplementary valuation roll shall include only those alterations and additions to the valuation roll which are permitted by this section.
- (5) The draft supplementary valuation roll shall take into account —
- (e) rateable property omitted from valuation;
- (f) new rateable property;
- (g) rateable property which is subdivided or consolidated with other rateable property; and,
  - (h) re-categorization of the rate on the change of use of the rateable property

Observation: The Committee rejected the proposed amendment. The proposal as it does not address any mischief to the extent that clause 30 of the Bill expressly provides for the Preparation of draft valuation rolls and draft supplementary valuation rolls.

#### 5.0 COMMITTEE RECOMMENDATIONS

- 33. Having considered the Senate amendments to the National Rating Bill 2022, the Committee recommends that;
- 1) The House agrees with the proposed Senate Amendments to-

(i) clause 14;(ii) Clause 29, and(iii) clause 32(a).

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;

2) The House rejects the Senate amendments to—

(i) Clauses 2;				
(ii) clause 12;	A Presidential of the statement of the second secon	ana ana amin'ny fanisa amin'ny fanisa amin'ny fanisa amin'ny fanisa amin'ny fanisa amin'ny fanisa amin'ny fanis Ny fanisa	Characteristic (California) and a star and the California (California) and the California (Cal	
(iii)clause 20;	THE NA	隧道 TIONAL AS	2	
(iv) clause 30;		APERS LAT	)	
(v) clause 32(b&c);	DATE:	0 6 JUN 2024	DAY.	
(vi) clause 34;	TABLED BY:			
(vii) clause 56;	CLERKAT THE TABLE:	ganta ana ana ana ana ana ana ana ana ana		
(viii) New Clause 24A; and	and the second sec	la persona en la secola contra contra contra contra de la contra de la contra de la contra de la contra de la En la contra destrucción de la contra contra contra de la c	tanan na tana ing pananana na	
(ix)New Clause 30A				
SIGNED Annoth		DATE 06 06 2	2024	
HON. JOASH NYAMACHE NYAMOKO, M.P.				
CHAIRPERSON, DEPARTMENTAL COMMITTEE ON LANDS				



#### THE NATIONAL ASSEMBLY

#### THIRTEENTH PARLIAMENT (THIRD SESSION) 2024

#### DEPARTMENTAL COMMITTEE ON LANDS - MEMBERS ATTENDANCE SCHEDULE

AGENDA Ádoption of the Report on Somete Amendment to the Netional Rating Bill 2022 VENUE Committee Room of 2nd FLOOR, Cartinented House 4/6/2024 TIME 10.00 am

NO.	MEMBER	SIGNATURE
1.	Hon. Nyamoko Joash Nyamache, HSC, MP	( Compart
2.	Hon. Kihara Jayne Wanjiru Njeri, MP	July D al
3.	Hon. Rachael Kaki Nyamai, CBS, MP	Stillingas
4.	Hon. Ogolla Gideon Ochanda, MP	
5.	Hon. Shimbwa Omar Mwinyi, MP	
6.	Hon. Robi Mathias Nyamabe, MP	Actilition
7.	Hon. Passaris Esther Muthoni, MP	install.
8.	Hon. Gitari Joseph Gachoki, MP	Anchat
9.	Hon. Guyo Ali Wario , MP	
10.	Hon. Nzambia Thuddeus Kithua, MP	the
11.	Hon. Ndung'u George Koimburi, MP	
12.	Hon. Mupe Anthony Kenga, MP	-
13.	Hon. Katana Paul Kahindi, MP	County
14.	Hon. Joseph Hamisi Dena, MP	/
15.	Hon. Lelmengit Josses Kiptoo Kosgey, MP	

Forwarded By:

Signed:	Date:
Name of Committee Clerk:	
Approved By: Signed:	Date

Mr. Peter Chemweno- Director, Directorate of Departmental Committees



#### THE NATIONAL ASSEMBLY

#### 13<sup>TH</sup> PARLIAMENT – THIRD SESSION, 2024

#### DEPARTMENTAL COMMITTEE ON LANDS

#### MINUTES OF THE 28<sup>TH</sup> SITTING OF THE DEPARTMENTAL COMMITTEE ON LANDS HELD AT THE COMMITTEE ROOM, 2<sup>ND</sup> FLOOR CONTINENTAL HOUSE, ON TUESDAY, 4<sup>TH</sup> JUNE 2024 AT 10:00 AM.

#### PRESENT

- 1. Hon. Nyamoko Joash Nyamache, M.P.
- 2. Hon. Kihara Jayne Wanjiru Njeri, M.P.
- 3. Hon. Rachael Kaki Nyamai, CBS, M.P
- 4. Hon. Robi Mathias Nyamabe M.P
- 5. Hon. Passaris Esther Muthoni, M.P.
- 6. Hon. Gitari Joseph Gachoki, M.P.
- 7. Hon. Katana Paul Kahindi, M.P.
- 8. Hon. Nzambia Thuddeus Kithua, M.P.
- 9. Hon. Lelmengit Josses Kiptoo Kosgey, M.P.

#### ABSENT WITH APOLOGIES

- 1. Hon. Shimbwa Omar Mwinyi, M.P.
- 2. Hon. Ogolla Gideon Ochanda, M.P.
- 3. Hon. Ndung'u George Koimburi, M.P.
- 4. Hon. Guyo Ali Wario, M.P.
- 5. Hon. Joseph Hamisi Dena, M.P.
- 6. Hon. Mupe Anthony Kenga, M.P.

#### COMMITTEE SECRETARIAT

1. Mr. Joshua Ondari – Clerk Assistant I

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- 2. Mr. Sidney Lugaga –
- 3. Ms. Judith Kiprop
- 4. Ms. Brenda Michira
- 5. Mr. Yeziel Jillo Sergeant at Arms

#### MIN/NO./NA/DC-LANDS/2024/189:

The Chairperson called the meeting to order at half past ten o'clock with a word of prayer by Hon. Passaris Esther Muthoni, M.P.

Senior Legal Counsel Fiscal Analyst III

Research Officer III

PRELIMINARIES

#### MIN/NO./NA/DC-LANDS/2024/190:

#### ADOPTION OF THE AGENDA

AGENDA

- -Chairperson
- Vice Chairperson

- 1. Prayers
- 2. Preliminaries;
- 3. Confirmation of Minutes.
- 4. Matters Arising;
- 5. Meeting:
  - i) Consideration and Adoption of the Report on the Senate Amendment on the National Rating Bill 2022
  - ii) Consideration of the Land (Amendment) Bill (Legislative Proposal) by Hon. Joseph Gitari, MP
- 6. Any Other Business

7. Adjournment

The agenda of the meeting was adopted after it was proposed by Hon. Lelmengit Josses Kiptoo Kosgey, M.P. and seconded by Hon. Passaris Esther Muthoni, M.P.

#### MIN/NO.NA/DC-LANDS/2024/191:

# CONSIDERATIONANDADOPTION OF THE REPORT ONSENATE AMENDMENT TO THENATIONAL RATING BILL 2022

The Committee considered the report and resolved as follows-

#### CLAUSE 2

THAT clause 2 of the Bill be amended by deleting -

(a) the definition of the term 'occupier' and inserting therefor the following new definition

"occupier" means, in relation to rateable property, a person who is in physical possession of premises, or a person who has control over the premises, where the rateable owner is unknown;

# Observation: The Committee may reject the proposal as it does not address any mischief as the definition address an occupier as a person who has control over rateable property.

(b) the definition of the term 'valuation roll' and inserting therefor the following new definition—

"valuation roll" means a roll prepared in accordance with this Act;

Observation: The Committee rejected the proposal as it does not address any mischief to the extent that the existing provision is not ambiguous as it provides that a valuation roll is one prepared in accordance with clause 29 of the Bill. Clause 29 of the Bill clearly provides for the Preparation of valuation rolls and supplementary valuation rolls.

(C) the definition of 'Chief Government Valuer' and inserting the following new definition

"Chief Government Valuer" means a valuer appointed under section 24A.

Observation: The Committee rejected the proposal as it does not address any mischief to the extent that the existing provision is not ambiguous in defining the meaning of the term "Chief Government Valuer"

#### CLAUSE 12

THAT clause 12 of the Bill be amended in —

(a) subclause (3) by inserting the words 'and the Council of County Governors' immediately after the words 'National Land Commission'.

Observation: The Committee rejected the proposed amendment. The Committee rejected the proposal to insert the Council of County Governors in the consultation on prescribing guidelines on payment of royalties to the extent that Article 62(3) of the Constitution provides that Public land classified with natural resources, forestry land shall vest in and be held by the national government in trust for the people of Kenya and shall be administered on their behalf by the National Land Commission.

(b) subclause (4) by inserting the words 'in consultation with the Council of County Governors' immediately after the words 'The Cabinet Secretary may'.

Observation: The Committee rejected the proposed amendment to the extent that the proposal rejects fails to acknowledge that clause 4(1) of the Bill, the Cabinet Secretary shall exercise regulation making powers in accordance with Articles 10, 210 and 232 of the Constitution by ensuring that there is democracy and participation of the people in the process of enacting regulations.

#### CLAUSE 14

THAT clause 14 be amended by inserting the following new subclause immediately after subclause (3) —

(4) The amount of the rates set under subsection (1) shall not exceed four per cent of the unimproved 'value of the rateable property.

Observation: The Committee accepted the proposed amendment. The effect of the proposal is to insert a new sub clause providing for a cap on the rate calculation percentage at no more than 4% of the value of a property listed in the valuation roll.

#### CLAUSE 20

THAT clause 20 of the Bill be amended in —

(c) subclause (2) by inserting the words 'and the Council of County Governors' immediately after the words 'the Cabinet Secretary'.

## Observation: The Committee rejected the proposed amendment to the extent that the National Land Commission administers public land on behalf of the county governments in accordance with Article 62 of the Constitution.

b) subclause (6) by deleting the words 'recommend to the Cabinet Secretary Ministry of Lands to further review before submission' and inserting therefor the word 'submit'.

Observation: The Committee rejected the proposed amendment. The contribution in lieu of rates for National Government are made in respect of the following categories of land, namely-

- a) Land owned and registered in the name of National Government
- b) Land occupied by National Government Institutions
- c) Gazetted forests
- d) Land allocated to private entities by National Government but whose titles have not been registered yet.

It is therefore not prudent to remove the role of the Cabinet Secretary in charge of land matters who is the custodian of land registration records from auditing valuation rolls as it may lead to National Government making contribution in lieu of rates for the same land that is already alienated for private entities hence leading to double payment.

#### CLAUSE 29

THAT clause 29 of the Bill be amended in subclause (1) by deleting the word 'five' appearing immediately after the words 'undertaken in every' and inserting therefor the word 'ten'.

Observation: The Committee accepted the proposed amendment. The proposed amendment to provide that the preparation of a valuation roll should be undertaken every ten (10) years rather than five (5) years.

#### CLAUSE 30

THAT clause 30 of the Bill be amended by deleting —

(a) subclause (4);

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

(b) sub clause (5); and

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

(c) subclause(6 ).

Observation: The Committee rejected the proposed amendment. The proposal as it does not address a mischief in preparation of the supplementary roll as provided to the extent that clause 30 of the Bill contains clear provisions on the process of preparation of supplementary valuation rolls and there is no reason necessitating separating provisions regulating the preparation of valuation rolls and supplementary valuation rolls.

#### CLAUSE 32

THAT clause 32 of the Bill be amended -

 (a) in subclause (3) by inserting the words 'of preparing a report under subsection (4)' immediately after the words 'Valuer for purposes';

Observation: The Committee accepted the proposed amendment. The Committee resolved that this proposal sought to bring clarity to sub-clause (3) as it lacked clarity.

(b)in subclause (6) by deleting the word 'tabling' appearing immediately after the words 'county assembly for' and inserting therefor the word 'approval'.

#### Observation: The Committee rejected the proposed amendment. The effect of the proposal is to provide that the draft valuation roll or draft supplementary valuation roll shall be submitted to the county assembly for tabling.

(c) by inserting the following new subclauses immediately after subclause (6) —

- (7) The County Assembly shall, within sixty (60) sitting days of submission under subsection (6), by resolution approve or reject the draft valuation roll or draft supplementary valuation roll.
- (8) Where the County Assembly fails to make a resolution within the period under subsection (7), the draft valuation roll or draft supplementary valuation roll shall be deemed to have been approved.

### *Observation: The Committee rejected the proposed amendment. There is no need of describing the timelines in the Act.*

#### CLAUSE 34

THAT clause 34 of the Bill be amended in subclause (6) by deleting the word 'may' appearing immediately after the words 'a county government' and inserting therefor the word "shall".

Observation: The Committee rejected the proposed amendment. The effect of the proposal is to make it mandatory for each county government to provide in its county legislation that a County Valuation Board shall be constituted to hear and determine objections valuation or supplementary valuation roll.

#### CLAUSE 56

THAT clause 56 of the Bill be amended in —

(d)subclause (1) by deleting the word 'may' appearing immediately after the words 'The Cabinet Secretary' and inserting therefor the words 'shall, in consultation with the Council of County Governors, '

## Observation: The Committee rejected the proposed amendment. The effect of the proposal is to make it mandatory for the Cabinet Secretary to consult the Council of Governors when making regulations under the Bill.

(e) subclause (2) by deleting the word 'may', appearing immediately after the words "the Cabinet Secretary" and inserting therefor the words "shall, in consultation with the Council of County Governors,".

#### Observation: The Committee rejected the proposed amendment to the extent that the proposal rejects fails to acknowledge that clause 4(1) of the Bill, the Cabinet Secretary shall exercise regulation making powers in accordance with Articles 10, 210 and 232 of the Constitution by ensuring that there is democracy and participation of the people in the process of enacting regulations.

subclause (2) by inserting the following new paragraph immediately after paragraph (a)

(aa) the technological systems to be used in the preparation and implementation of the valuation roll or the supplementary valuation roll. Observation: The Committee rejected the proposed amendment to the extent that clause 6 of the Bill expressly provides guidelines stating that each county government shall establish or employ appropriate technological system in the preparation and implementation of the valuation roll or the supplementary valuation roll and there was not justification in limiting the freedom of counties in adopting the most appropriate technological system in the preparation and implementation of the valuation roll or the supplementary valuation roll.

#### **NEW CLAUSE 24A**

THAT the Bill be amended by inserting the following new clauses immediately after clause  $_{24}$  –

Qualification of the	24B. (1) A person is qualified for appointment as the Chief
Chief Government	Government Valuer if that person —
Valuer.	<ul> <li>(a) is a citizen of Kenya;</li> <li>(b) has a minimum of a Bachelor's degree from a university recognized in Kenya in — (i) land economics;</li> </ul>

(ii) real estate; or;

(iii)any other relevant field;

- (c) has at least fifteen years' experience in the valuation practice;
- (d) is a full member of the Institution of Surveyors of Kenya (Chapter on Valuation) and in good standing; and
- (e) meets the requirements of Chapter Six of the Constitution.

#### Chief Government Valuer 24A.

There shall be a Chief Government Valuer who shall be the principal advisor to the National Government and County governments on all matters relating to valuation

The Chief Government Valuer shall be appointed by the Public Service Commission through a competitive recruitment process

Observation: The Committee rejected the proposed amendments on the basis that the purpose of the office of the Chief Government Valuer is to act as the principal advisor to the National Government and county governments on valuation, and therefore the job description is best determined by the Cabinet Secretary in consultation with the Public Service Commission. This is in addition to the fact that the proposal with no justification appears to favour a person appointed under the Survey Act, Cap.299 over a person appointed under the Valuers Act, Cap 532.

#### NEW CLAUSE 30A.

THAT the Bill be amended by inserting the following new Clause immediately after clause 30\_

Supplementary Valuation Roll 30A.

(1) The county government shall, in preparing a valuation roll, rely on data or information that was used in the preparation of the valuation roll to assign values to be adopted on the properties contained in a supplementary valuation roll.

- (2) A supplementary valuation roll shall include only those alterations and additions to the valuation roll which are permitted by this section.
- (3) The draft supplementary valuation roll shall take into account —
- (a) rateable property omitted from valuation;
- (b) new rateable property;
- (c) rateable property which is subdivided or consolidated with other rateable property; and,
  - (d) re-categorization of the rate on the change of use of the rateable property

Observation: The Committee rejected the proposed amendment. The proposal as it does not address any mischief to the extent that clause 30 of the Bill expressly provides for the Preparation of draft valuation rolls and draft supplementary valuation rolls.

The Report was adopted after having been proposed and seconded by Hon. Lelmengit Josses Kiptoo Kosgey, MP and Hon. Joseph Gitari, MP respectively.

MIN/NO.NA/DC-LANDS/2024/192:	CONSIDERATION OF THE LAND
	(AMENDMENT) BILL
	(LEGISLATIVE PROPOSAL) BY
	HON. JOSEPH GITARI, MP

The Hon. Joseph Gitari, MP took the Committee through his proposal as follows-

- 1. The principal object of the legislative proposal is to amend the Land Act, 2012 to provide for registration, licensing and regulation of land dealing entities in order to protect the interest of persons buying land from such companies. It aims to ensure that all entities dealing in land are regulated and set a minimum licensing fee for registration of land dealing entities and impose penalties for non-compliance.
- 2. Clause 2 of the legislative proposal proposes to introduce a New PART VA containing detailed provisions regulating land dealing entities.

- 3. New Clause 54A under New PART VA mandates the Chief Land Registrar to maintain a register of all land dealing entities and defines Land Dealing Entities.
- 4. New Clause 54B under New PART VA introduces new provisions regulating application for registration as a land dealing entities and the considerations of the application.
- 5. New Clause 54C under New PART VA introduces new provisions regulating suitability to hold a certificate of registration as a land dealing entity.
- 6. New Clause 54 under New PART VA introduces new provisions regulating provision of a certificate and conditions imposed by the Registrar.
- 7. New Clause 54E under New PART VA introduces new provisions regulating issuance of certificate, display of certificate and penalty for non-display, or display of an invalid certificate, for the duration of validity of a certificate and transfer of certificate and penalty for such action.
- 8. New Clause 54F under New PART VA introduces new provisions regulating rejection by the Registrar of an application for registration of a Land Dealing Entity, the grounds for rejection and during for notification of a rejection.
- 9. New Clause 54G under New PART VA introduces new provisions regulating cancellation of a certificate, grounds for cancellation and notification of a cancellation.
- 10. **New Clause 54H** under New PART VA introduces a penalty for offences committed under this part.
- 11. Clause 3 of the Bill introduces new paragraphs under section 160 of the Act empowering the Cabinet Secretary to make regulations on land dealing entities.

#### MIN/NO.NA/DC-LANDS/2024/193: ANY OTHER BUSINESS

The Chairperson informed the Committee as follows-

- a) The Committee is scheduled for a field visit to Uasin Gishu County on 6<sup>th</sup> 8<sup>th</sup> June 2024 to establish the ownership of the land being contested by Moi University and Ngeria Estate Squatters;
- b) The Land Laws (Amendment) Bill 2023 was appearing in the order paper of that day. He urged Members to be present in the House and support the Committee report on the Bill; and

c) The Principal Secretary, State Department for Cooperative Development was scheduled to appear before the Committee to respond to Drumvale Cooperative Society's Land matters on Tuesday, 28<sup>th</sup> May, 2024, however, the PS did wrote to the Committee requesting the meeting to be rescheduled to a later date.

#### MIN/NO.NA/DC-LANDS/2024/194: ADJOURNMENT

There being no other business, the meeting was adjourned at 12.33 pm. The next meeting would be held on notice.

DATE 06/06/2024 SIGNED HON. JOASH NYAMACHE NYAMOKO, MP (CHAIRPERSON)

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#### REPUBLIC OF KENYA

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'Bunge', NairobiThe Senate

Nairobi, Kenya

#### PARLIAMENT OF KENYA OFFICE OF THE CLERK OF THE SENATE

#### SENATE AMENDMENTS TO THE NATIONAL RATING BILL (NATIONAL ASSEMBLY BILLS No. 55 OF 2022)

The following amendments to the National Rating Bill (National Assembly Bills No. 55 of 2022) were passed by the Senate on Thursday, 9 <sup>th</sup> May, 2024 —

#### CLAUSE 12

THAT clause 12 of the Bill be amended in —

- (a) subclause (3) by inserting the words 'and the Council of County Governors' immediately after the words 'National Land Commission'.
- (b) subclause (4) by inserting the words 'in consultation with the Council of County Governors' immediately after the words 'The Cabinet Secretary may'.

#### CLAUSE 14

THAT clause 14 be amended by inserting the following new subclause immediately after subclause (3)—

(4) The amount of the rates set under subsection (1) shall not exceed four per cent of the unimproved 'value of the rateable property.

#### CLAUSE 20

THAT clause 20 of the Bill be amended in —

- (a) subclause (2) by inserting the words 'and the Council of County Governors' immediately after the words 'the Cabinet Secretary'.
- (b) subclause (6) by deleting the words 'recommend to the Cabinet Secretary Ministry of Lands to further review before submission' and inserting therefor the word 'submit'.

#### CLAUSE 29

THAT clause 29 of the Bill be amended in subclause (1) by deleting the word 'five' appearing immediately after the words 'undertaken in every' and inserting therefor the word 'ten'.

Signature

#### CLAUSE 30

THAT clause 30 of the Bill be amended by deleting --- (a)

subclause (4);

(b) sub clause (5); and (c) subclause (6).

#### CLAUSE 32

THAT clause 32 of the Bill be amended -

- (a) in subclause (3) by inserting the words 'of preparing a report under subsection (4)' immediately after the words 'Valuer for purposes';
- (b) in subclause (6) by deleting the word 'tabling' appearing immediately after the words 'county assembly for' and inserting therefor the word 'approval'.
- (c) by inserting the following new subclauses immediately after subclause (6) —

(7) The County Assembly shall, within sixty (60) sitting days of submission under subsection (6), by resolution approve or reject the draft valuation roll or draft supplementary valuation roll.

(8) Where the County Assembly fails to make a resolution within the period under subsection (7), the draft valuation roll or draft supplementary valuation roll shall be deemed to have been approved.

#### CLAUSE 34

THAT clause 34 of the Bill be amended in subclause (6) by deleting the word 'may' appearing immediately after the words 'a county government' and inserting therefor the word "shall".

#### CLAUSE 56

THAT clause 56 of the Bill be amended in —

- (a) subclause (1) by deleting the word 'may' appearing immediately after the words 'The Cabinet Secretary' and inserting therefor the words 'shall, in consultation with the Council of County Governors, '
- (b)subclause (2) by deleting the word 'may', appearing immediately after the words "the Cabinet Secretary" and inserting therefor the words "shall, in consultation with the Council of County Governors,".

(c) subclause (2) by inserting the following new paragraph immediately after paragraph (a)

(aa) the technological systems to be used in the preparation and implementation of the valuation roll or the supplementary valuation roll.

#### NEW CLAUSE 24A

THAT the Bill be amended by inserting the following new clauses immediately after clause 24 -

Signature

#### Chief Government Valuer 24A.

.

- (1) There shall be a Chief Government Valuer who shall be the principal advisor to the National Government and County governments on all matters relating to valuation
- (2) The Chief Government Valuer shall be appointed by the Public Service Commission through a competitive recruitment process

Qualification of the Chief Government Valuer. 24B. (1) A person is qualified for appointment as the Chief Government Valuer if that person —

- (a) is a citizen of Kenya;
- (b) has a minimum of a Bachelor's degree from a university recognized in Kenya in — (i) land economics;
  - (ii) real estate; or;
  - (iii) any other relevant field;
- (c) has at least fifteen years' experience in the valuation practice;
- (d) is a full member of the Institution of Surveyors of Kenya (Chapter on Valuation) and in good standing; and
- (e) meets the requirements of Chapter Six of the Constitution.

#### NEW CLAUSE 30A.

THAT the Bill be amended by inserting the following new Clause immediately after clause 30\_ Supplementary Valuation Roll 30A.

> (1) The county government shall, in preparing a valuation roll, rely on data or information that was used in the preparation of the valuation roll to assign values to be adopted on the properties contained in a supplementary valuation roll.

(2) A supplementary valuation roll shall include only those alterations and additions to the valuation roll which are permitted by this section.

Signature

(3) The draft supplementary valuation roll shall take into account —

(a) rateable property omitted from valuation;

(b) new rateable property;

- (c) rateable property which is subdivided or consolidated with other rateable property; and,
- (d) re-categorization of the rate on the change of use of the rateable property.

#### CLAUSE 2

THAT clause 2 of the Bill be amended by deleting —

(a) the definition of the term 'occupier' and inserting therefor the following new definition

"occupier" means, in relation to rateable property, a person who is in physical possession of premises, or a person who has control over the premises, where the rateable owner is unknown;

(b) the definition of the term 'valuation roll' and inserting therefor the following new definition— "valuation roll" means a roll prepared in accordance with this Act;

(c) the definition of 'Chief Government Valuer' and inserting the föllowing new definition

"Chief Government Valuer" means a valuer appointed under section 24A.

#### Signature

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