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THIRTEENTH PARLIAMENT

THIRD SESSION, 2024

SENATE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES

COMMITTEE REPORT

ON

THE NATIONAL RATING BILL, 2022
(NATIONAL ASSEMBLY BILLS NO. 55 OF 2022)

PAPERS LAID	
DATE	8/5/2024
TABLED BY	Deputy Majority Whip
COMMITTEE	Lands, Environment and NR/Env
CLERK AT THE TABLE	Abdirahman - Resources

Clerk's Chambers,
First Floor,
Parliament Buildings,
NAIROBI.

MAY, 2024

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LIST OF ABBREVIATIONS AND ACRONYMS

CECM	-County Executive Committee Member
COG	-Council of Governors
KARA	- Kenya Alliance of Residents Association
KCA	-Kilifi County Alliance
NLC	-National Land Commission

LIST OF ANNEXURES

1. Minutes
2. Copy of the newspaper advertisement for public participation
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PREFACE

Establishment of the Committee

The Standing Committee on Land, Environment and Natural Resources is established under standing order 228(3) of the Senate Standing Orders. The mandate and the functions of the Committee are set out under the Fourth Schedule of the Senate Standing Orders which mandates the Committee to consider all matters relating to lands and settlement, environment, forestry, wildlife, mining, water resource management and development.

Membership of the Committee

The Committee is comprised of the following members -

1. Sen. John Muhia Methu, MP - **Chairperson**
2. Sen. (Dr.) Steve Lelegwe Ltumbesi, MP - **Vice - Chairperson**
3. Sen. William Cheptumo Kipkiror, CBS, MP
4. Sen. Johnes Mwashushe Mwaruma, MP
5. Sen. Issa Juma Boy, MP
6. Sen. Agnes Kavindu Muthama, MP
7. Sen. Wamatinga Wahome, MP
8. Sen. Mariam Sheikh Omar, MP
9. Sen. Beatrice Akinyi Ogola, MP

Mr. Speaker,

The National Rating Bill, 2022, aims to establish a uniform legislative framework for county governments in Kenya to levy rates on land and buildings within their jurisdiction, in line with Articles 190(1) and 209(3)(a) of the Constitution. The Bill aligns with national values and principles of governance, public service, and public finance as defined in Articles 10, 232 and 210 of the Constitution. It serves as a strategic tool for county governments to use property rates for enhancing local socio-economic development. Emphasizing fairness, objectivity, and reasonableness in property rating, the Bill is designed to aid counties in boosting their revenue, essential for county-level projects. Additionally, it seeks to harmonize the rates and taxes imposed by different counties, thus fostering a balanced and favorable business environment across Kenya.

Mr. Speaker Sir,

The Bill was published on 15th November, 2022, and read a First Time in the Senate on 2nd November, 2023. Following the First Reading in the Senate, the Bill stood committed, pursuant to standing order 145(1) of the Senate Standing Orders, to the Standing Committee on Land, Environment and Natural Resources for facilitation of public participation.

Subsequently, the Committee, pursuant to Article 118(1) (b) of the Constitution and standing order 145(5) of the Senate Standing Orders, invited submissions from members of the public on the Bill via an advertisement in the Standard and the Daily Nation Newspapers on 11th November, 2023.

CHAIRPERSON'S FOREWORD

This report contains proceedings of the Standing Committee on Land, Environment and Natural Resources on its consideration of the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022) which was published on 15th November, 2023. The Bill went through the First Reading on 2nd November, 2023 and was thereafter committed to the Land, Environment and Natural Resources Committee for consideration and reporting to the House pursuant to the provision of Standing Order 127.

The Bill shall apply to all rateable property within the respective county government except freehold agricultural land.

It sets forth guiding principles for County Governments in implementing the Bill's provisions. It mandates adherence to national values and principles of governance, as well as values and principles of public service and public finance, as outlined under Article 10, 232, and 210 of the Constitution. The Bill also requires Counties to consider the local needs and leverage property rates to boost social and economic development.

The Bill emphasizes local needs, leveraging property rates for socio-economic development, and underscores the importance of public participation. It also requires establishing fair, objective, and reasonable criteria for property rating, catering to different property categories, exemptions, and conditions for interest on defaults and waivers. Additionally, it highlights the need for prudent use of funds collected, aiming at enhancing service delivery within the County.

Following placement of advertisements in the print media on 11th November, 2023 seeking public and stakeholder views on the Bill pursuant to Article 118(1) (b) of the Constitution and Standing Order 145(5) of the Senate Standing Orders, the Committee received four memoranda from the general public and held a meeting to review the submissions with the Ministry of Lands, Public Works, Housing and Urban Development and the National Treasury on 23rd February, 2024 and further met the National Land Commission (NLC) on 29th February, 2024.

The Committee wishes to thank the Offices of the Speaker and the Clerk of the Senate as well as the Secretariat for the support extended to it in the conduct of the public hearings and in fulfilling its mandate.

Further, the Committee wishes to thank members of the public and stakeholders who sent written submissions including the general public.

Mr. Speaker,

It is now my pleasant duty, pursuant to standing order 148 of the Senate Standing Orders, to present the Report of the Standing Committee on Land, Environment and Natural Resources on the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022).



Signed: _____

Date: 2/05/2024

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON

**STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES**

CHAPTER ONE

INTRODUCTION

1.0 Purpose of the Bill

1. The National Rating Bill, 2023, aims to establish a uniform legislative framework for county governments in Kenya to levy rates on land and buildings within their jurisdiction, in line with Articles 190(1) and 209(3)(a) of the Constitution. The Bill aligns with national values and principles of governance, public service, and public finance as defined in Articles 10, 232 and 210 of the Constitution. It serves as a strategic tool for county governments to use property rates for enhancing local socio-economic development. Emphasizing fairness, objectivity, and reasonableness in property rating, the Bill is designed to aid counties in boosting their revenue, essential for county-level projects. Additionally, it seeks to harmonize the rates and taxes imposed by different counties, thus fostering a balanced and favorable business environment across Kenya.

2.0 Background

2. The The Bill, originating from the National Assembly and passed with amendments on October 11, 2023, is anchored in the principle of reliable revenue sources for county governments, a core tenet of Kenya's devolution as outlined in Article 175(b) of the Constitution. Article 209(3)(a) empowers counties to impose property rates. The Bill is pivotal in securing independent revenue for devolved units, addressing historical challenges in fund generation. A 2018 National Treasury and World Bank study underscored the gap between potential and actual revenue in devolved units, highlighting the need for more effective collection mechanisms.
3. The existing legislation, the Valuation for Rating Act (Cap 266) and the Rating Act (Cap 267), enacted in 1956 and 1964, respectively, are outdated and misaligned with the Constitution and the devolved governance system. These laws lack a clear framework for optimal property rate collection, leading to underutilization of the property tax base. The National Rating Bill, 2023, marks a significant advancement in updating the legal structure for property valuation and rating in Kenya. It signifies a shift towards a standardized, equitable, and efficient property rating system, integral to the financial autonomy and developmental agenda of county governments.

4. The Bill was published on 15th November, 2023, and read a First Time in the Senate on 2nd November, 2023. Following the First Reading in the Senate, the Bill stood committed, pursuant to standing order 145(1) of the Senate Standing Orders, to the Standing Committee on Land, Environment and Natural Resources for facilitation of public participation.
5. Subsequently, the Committee, pursuant to Article 118(1) (b) of the Constitution and standing order 145(5) of the Senate Standing Orders, invited submissions from members of the public on the Bill via an advertisement in the Standard and the Daily Nation Newspapers on 11th November, 2023.

3.0 Overview of the Bill

10. Application of the Bill

The The Bill shall apply to all rateable property within the respective county government except freehold agricultural land.

It sets forth guiding principles for County Governments in implementing the Bill's provisions. It mandates adherence to national values and principles of governance, as well as values and principles of public service and public finance, as outlined under Article 10, 232, and 210 of the Constitution. The Bill also requires Counties to consider the local needs and leverage property rates to boost social and economic development.

11. The Bill emphasizes local needs, leveraging property rates for socio-economic development, and underscores the importance of public participation. It also requires establishing fair, objective, and reasonable criteria for property rating, catering to different property categories, exemptions, and conditions for interest on defaults and waivers. Additionally, it highlights the need for prudent use of funds collected, aiming at enhancing service delivery within the County.

12. Part II – Rating

This part of the Bill outlines the framework for county governments to levy rates on land and buildings, ensuring compliance with national values, public finance principles, and relevant legislation. It broadly defines a rateable owner, including leaseholders, executors, trustees, administrators in bankruptcy, sectional property holders, occupiers, and beneficial owners. These owners are required to provide accurate property information for valuation and pay land rates promptly. The Bill empowers Counties to choose from various rating forms like annual rental value

rating, area rating, and site value ratings, and are required to notify the public before adopting any rating method. Additionally, counties are tasked with setting rates annually, considering property values, use, and economic conditions, and providing justifications for the rates set. The Bill mandates that rates become due in the financial year they are levied and specifies payment methods, including banks, electronic systems, or other means prescribed by the county executive committee member for Finance. It also allows for instalment payments or one-off payments and limits interest on overdue rates to the Central Bank rate.

Rateable owners can apply for remission of rates, and counties must respond within 30 days, with remissions automatically granted if no response is given within 60 days. The Bill details criteria for remissions and discounts, and outlines enforcement measures for non-payment, including penalties, service denial, legal actions, and property charges.

For public land held by the National Government, the Bill requires counties to assess contributions in lieu of rates and submit claims to the National Treasury. The National Land Commission, in consultation with the Cabinet Secretary, is tasked with developing regulations to prescribe for rating of all public land and evaluating claims for contributions in lieu of rates.

13. Part III – Appointment and powers of valuers Directorate

This part of the Bill addresses the appointment and powers of valuers in the context of property valuation for rating purposes. It specifies qualifications for a lead valuer and outlines their responsibilities in roll preparation. The Bill further provides for the Chief Government Valuer who plays a significant role, undertaking valuations upon request by county governments, developing guidelines for standardization and harmonization of valuation rolls, advising on the preparation of valuation rolls, and maintaining a record of all county government valuation rolls. The Cabinet Secretary, in consultation with the Council of Governors, is tasked with formulating regulations for harmonizing valuation rolls and establishing intergovernmental rating and valuation standards and procedures.

14. Part IV – Valuation for Rating

The Bill details the process and standards for valuation in the context of rating. The primary basis for valuation as provided is the market value of rateable property.

Valuers, in determining this value, are permitted to use suitable methods that align with local and international valuation standards and consider existing physical and land use plans. Importantly, if both the unimproved land value and the value of improvements are included, the latter must not exceed the difference between the total land value and the unimproved land value. The Bill declares all areas within a county as rateable and mandates valuers to use appropriate methods consistent with prevailing valuation principles and standards. The Cabinet Secretary is responsible for making regulations to support these provisions.

The Bill requires county governments to prepare a valuation roll for properties within the county, every five years with the possibility of extending this period by up to two years with county assembly approval. The draft valuation rolls must include detailed information about each rateable property, such as description, owner details, property use, site value, and assessment for improvement rate. Supplementary rolls are prepared as needed, based on data from the main valuation rolls, and include any necessary alterations or additions.

The Bill provides that any person can lodge objections to the draft valuation rolls within forty-five days from the date of the publication of the notice, following a prescribed process and paying a non-refundable fee. Objections are considered by the county government, and a County Valuation Board may be constituted to hear and determine these objections.

The Bill also outlines exemptions from valuation for rating purposes. Properties used exclusively for public purposes, including religious worship, public health facilities, educational institutions, and certain other specified uses, are exempt from valuation. However, the Bill provides that if these properties are used for profit or residential purposes, they become subject to valuation. Such criteria for exemptions and the extent of assessment for other land types is to be provided for in regulations formulated by the Cabinet Secretary.

15. Part V – The National Rating Tribunal

The Bill establishes the National Rating Tribunal, its composition, jurisdiction, proceedings, and related aspects. The Tribunal is formed to hear and determine matters relating to valuation or rating. It consists of up to fifteen members, including a Chairperson, appointed by the Judicial Service Commission. These members should have

expertise in various fields such as law, valuation, physical planning, land surveying, IT, economics, finance, and public administration. The Chairperson is required to be qualified for appointment as a judge of the Environment and Land Court, and all members must meet the criteria set out in Chapter Six of the Constitution.

The Tribunal's jurisdiction covers appeals, review of decisions made by county governments, hearing objections, and resolving disputes related to rating. It has the power to grant equitable relief such as injunctions, penalties, damages, or specific performance and is not bound by the traditional rules of evidence.

16. Part VI – Miscellaneous provisions

Part VI of the Bill outlines procedures for the publication and serving of notices in relation to the Act. It mandates that any notice required by the County Executive Committee member must be published in the Kenya Gazette for twenty-one days, advertised in widely-circulated newspapers within the relevant county, and posted on a county-wide social media platform approved by the County Executive Committee member.

This part of the Bill also repeals two previous Acts: The Rating Act and the Valuation for Rating Act. This repeal signifies a legislative update, consolidating and modernizing the approach to rating and valuation within the framework of the new Bill.

17. Part VII – Provisions on delegated legislation

This part empowers the Cabinet Secretary to create regulations for the implementation of the proposed law. These regulations cover various aspects of rating and valuation, including the preparation of valuation rolls and exemptions from rates. The National Lands Commission is also tasked with formulating regulations specific to the valuation of public land for the purpose of paying contributions instead of rates. Additionally, each county government is required to enact its own legislation and regulations to facilitate the implementation of the proposed law. These local regulations should align with the national law and cover areas like the use of technology, circumstances for discounts, waivers, and remissions, auction procedures for rateable properties, issuance of agency notices, denial of county services for defaults, and processes for handling draft valuation rolls.

The Bill also includes transitional provisions. Existing valuation rolls prepared before the Act's commencement are deemed to have been prepared under the new law. If any current valuation rolls do not conform to the Act's standards, county governments must update them within twenty-four months of the Act's commencement. Existing national and county laws related to valuation and rating will continue to apply, modified as necessary to align with the proposed new law.

4.0 Consequences of the Bill

The National Rating Bill, 2022, encompass a range of significant changes and improvements in the way property rates are managed and implemented across county governments in Kenya. One of the most notable outcomes is the establishment of a standardized legislative framework across all counties. With the Bill's emphasis on fairness, objectivity, and reasonableness in property rating, property owners can expect a more equitable distribution of tax burdens. This shift towards a system that better reflects actual property values and uses will enhance the fairness of property taxation.

Increased county revenues are another major consequence of the Bill. By streamlining the property rating process and making it more effective, county governments are likely to see an uptick in their revenue generation capabilities.

Public participation is also a key focus of the Bill. The emphasis on involving the community in the property rating process promises to increase transparency and engagement. This means residents will have a greater opportunity to influence how their properties are assessed and taxed, leading to a more inclusive and responsive approach to local governance.

The Bill's promotion of using modern technology in valuation processes marks a step towards more accurate and efficient property assessments.

Finally, the implementation of the Bill will ensure that property rating practices are in compliance with the Constitution. This alignment with constitutional mandates reinforces the commitment to national values and principles of governance, public service, and public finance.

CHAPTER TWO

PUBLIC PARTICIPATION

2.1 Attendance by Stakeholders

18. The Committee, pursuant to Article 118 of the Constitution and standing order 145(5) of the Senate Standing Orders, invited submissions from members of the public on the Bill via an advertisement in the Standard and Daily Nation Newspapers on 11th November, 2023.

The Committee received submissions from the following stakeholders-

- 1) Kilifi County Alliance (KCA)
- 2) Kenya Alliance of Residents Associations (KARA)
- 3) Council of County Governors (COG)
- 4) National Land Commission (NLC)

19. The Committee received four memoranda from the general public and held a meeting to review the submissions with the Ministry of Lands, Public Works, Housing and Urban Development and the National Treasury on 23rd February, 2024 and further met the National Land Commission (NLC) on 29th February, 2024.

20. The Ministry was able to provide a rationale for the proposals in the Bill and consensus on various amendments as proposed by the various stakeholders who made proposals on the Bill.

3.1 Submissions from stakeholders and committee observations and determinations on stakeholder proposals

21. The Committee received submissions on specific clauses of the Bill and made various observations and determinations on each proposal as follows-

A. COUNCIL OF GOVERNORS

In the memorandum, they proposed the following amendments to the Bill-

1. Long title of Bill

Propose –

Delete the provision for the ‘National Rating Tribunal’ appearing in the Long Title and insert ‘Rating Tribunals’;

Justification- The tribunal will hear and determine all matters relating to valuation or rating referred to it under this proposed law or any other written law. This is going to be a significant task for the National Tribunal. Many of the objections raised could be considered as low impact and could be dealt with expeditiously by the valuer or by tribunals established at the County level. The National Rating Tribunal could become involved where the value of the property is high (over a prescribed limit) or it involves a property of significant national interest.

Committee’s Observation/Recommendation

The Committee did not adopt this proposal. The establishment of tribunals at the County levels is not necessary as the Bill already provides for the establishment of County Valuation Boards which may hear objections in the first instance before referral to the National Rating Tribunal.

2. Clause 2

Propose –

- i. Under the definition of “Chief Government Valuer”, it is proposed that the definition be restricted to provide that the Chief Government Valuer means the principal advisor to the National Government on valuation;

Justification- To separate the functions of National and County Governments.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. Clause 25 of the Bill already provides for the specific roles of the Chief Government Valuer.

Propose –

- ii. Insert the definition of a “County Government Valuer” who will be the principal advisor to the county governments on valuation.

Justification- County Governments under Article 209 of the Constitution have an obligation to undertake property valuation and therefore need the competence on property valuation to advise the County.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. Clauses 22 and 23 of the Bill provides for the appointment of valuers by the County Government as well as their responsibilities.

3. *Clause 3*

Propose –

Amend Clause 3, subsection (1) by removing the objective in paragraph (c) concerning the Chief Government Valuer's task of collation of all valuation rolls prepared and deposited by any county governments. Replace it with a stipulation that the objectives of the Bill include provision for the role of each level of Government in respect to matters property valuation and rating.

Justification- The Bill should properly delineate the functions of each level of Government. With property rating and taxation being a County Government function, the National Government should be left with the responsibility of formulating policies and developing standards for property rating and taxation.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The role of the Chief Government Valuer is important for purposes of developing guidelines with respect to standardization, harmonization and collation of valuation rolls.

4. *Clause 5*

Propose –

Amend this clause to indicate that the Act shall apply to all rateable property within the respective county government except where exempted through county legislation.

Justification- All land within the County is rateable save for the exemptions that will be provided for under the regulations.

Committee's Observation/Recommendation

The Committee did not accept this proposal. Exempting freehold agricultural land from rates lower the operational costs for farmers, encouraging the production of food and other agricultural goods.

5. *Clause 8*

Propose –

Amend this clause to provide that a rateable owner includes a registered owner of a freehold title.

Justification- All land within the County is rateable.

Committee's Observation/Recommendation

The Committee did not accept this proposal. Exempting freehold agricultural land from rates lower the operational costs for farmers, encouraging the production of food and other agricultural goods.

6. *Clause 9*

Propose –

Amend Clause 9(2) to include 'improved rating' as a form of rating that may be adopted by a county government.

Committee's Observation/Recommendation

The Committee did not accept this proposal as Clause 9(2)(d) of the Bill already provides for site value rating in combination with an improvement rating as a form of rating.

7. *Clause 12*

Propose –

Amend Clause 12(3) to require the Cabinet Secretary to consult with the National Land Commission and the County Governments when prescribing guidelines on the royalties to be paid on natural resources, forestry land and products obtained from natural resources and forestry land for purposes of rating.

Justification- County Governments ought to be consulted in the preparation of the guidelines in the spirit of Article 6(2) of the Constitution which obligates the two levels of Government consult and cooperate.

Committee's Observation/Recommendation

The Committee adopted this proposal.

8. *Clause 20*

Propose –

i. The Bill be amended in sub-clause (2) to provide that the County Governments in consultation with the National Land Commission shall make regulations through County legislation to prescribe for all public land that should be included in the valuation roll; all public land excluded from appearing on the roll and all public land exempted for purposes of appearing on the valuation roll.

Justification- The County Governments are unique and they have County Assemblies to prepare legislations to address their uniqueness. The fact that this Bill anticipates a county legislation, this issue can best be addressed in the County legislation with adhering to the national standard.

Committee's Observation/Recommendation

The Committee considered this proposal in view of Article 67 of the Constitution which provides that the functions of the National Land Commission include the management of public land on behalf of the national and county governments. Therefore, the provision as contained in the Bill aligns with the Constitution. However, in developing the regulations under clause 20, it is important that the National Land Commission consults not only with the Cabinet Secretary but also

with the County Governments through the Council of Governors. As such, the clause may be amended to that extent.

Propose –

- ii. The Bill be amended in sub-clause (6) to provide that upon receipt of a claim for contribution in lieu of rates, the National Land Commission should evaluate the claim and submit it to the Cabinet Secretary, National Treasury for payment.

Justification-The National Land Commission is the manager of public land on behalf of both levels of Government and therefore should be the final authority on the evaluation of claims submitted. Submitting claims to the Ministry of Lands offends the principle of separation of powers between the County, the National Land Commission and the National Government through the Ministry of Lands.

Committee's Observation/Recommendation

The Committee adopted this proposal. The Committee observed that involving the Ministry of Lands introduces unnecessary bureaucracy, potentially delaying the processing and payment of these claims to County Governments. The National Land Commission, as the manager of public land for both levels of Government, is ideally positioned to streamline this process, thereby ensuring timely and efficient handling of claims.

9. Clause 25

Propose –

This clause should be amended to provide for the responsibilities of the National government which include:

- (a) Develop guidelines with respect to standardization and harmonization on preparation and implementation of valuation rolls;
- (b) Regulation of the profession of valuers; and
- (c) Capacity building the County Governments on matters rating and valuation.

Justification- In matters property valuation, the National Government is restricted to formulation of policy, standards and capacity building of County Governments.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Bill already provides for the respective functions of each level of Government with respect to valuation.

10. *Clause 32*

Propose –

i. Sub-clause (3) which provides that the CEC Member shall forward a copy of the draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer should be deleted.

Justification- The Preparation and approval of the valuation roll is a county function. The process of preparation of the valuation roll undergoes public participation where the National Government participates and can provide their input.

Committee's Observation/Recommendation

The Committee noted that sub-clause (3) mandates the County Executive Committee Member to forward a draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer. However, the purpose of forwarding these rolls was not explicitly stated, leading to some ambiguity. Subsequently, sub-clause (4) stipulates that the Chief Government Valuer must submit a written report to the County Executive Committee Member within thirty days of receiving the draft rolls. In response to concerns expressed by the Council of Governors regarding the clarity of this process, the Committee recognized the need to specify the intent behind sending the rolls to the Chief Government Valuer. Therefore, the Committee recommended amending the procedure to clarify that the County Executive Committee Member is to forward the draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer specifically to receive feedback through the report outlined in sub-clause (4).

Propose –

ii. Sub-clause (4) which requires the Chief Government Valuer to submit a written report to the County Executive Committee Member within thirty days of the receipt of the draft valuation roll or draft supplementary valuation roll should be deleted.

Justification- The preparation and approval of the valuation roll is a county function. The process of preparation of the valuation roll undergoes public participation where the National Government participates and can provide their input.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee observed that this sub-clause plays a critical role in assisting counties by identifying and addressing any discrepancies in a valuation roll prior to the expenditure of public resources. This step is deemed essential for maintaining the integrity and accuracy of the valuation rolls, thus ensuring that county resources are utilized effectively.

11. *Clause 36*

Propose –

It is proposed that this clause which provides for the exemptions be deleted.

Justification- This will be addressed in the regulations developed under section 20(2) which shall be a consultative process between the Commission, Ministry of Lands and the County Governments.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The main purpose of the Bill is to provide a uniform legislative framework for the imposition of rates on land and buildings by county governments. It is essential that this framework includes a clear, legislatively mandated set of guidelines for exemptions that applies uniformly across the country. This uniformity ensures that all entities are treated equally under the law, avoiding disparities and potential conflicts that could arise from varied interpretations or implementations of exemption criteria at the county level. By maintaining a standardized approach within the primary legislation, the Bill ensures consistency, fairness, and transparency in the application of exemptions, thereby reinforcing the principles of equity and justice within the taxation system.

12. *Clause 37*

Propose –

It is proposed that this clause be amended by providing for the establishment of tribunals at the county level.

Justification-The tribunal will hear and determine all matters relating to valuation or rating referred to it under this proposed law or any other written law. This is going to be a significant task for the National Tribunal. Many of the objections raised could be

considered as low impact and could be dealt with expeditiously by the valuer or by tribunals established at the County level. The National Rating Tribunal could become involved where the value of the property is high (over a prescribed limit) or it involves a property of significant national interest.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The establishment of tribunals at the County levels is not necessary as the Bill already provides for the establishment of County Valuation Boards which may hear objections in the first instance before referral to the National Rating Tribunal.

B. NATIONAL LAND COMMISSION (NLC).

In the memorandum, they proposed the following amendments to the Bill-

1. *Clause 2*

Propose – To Insert the definition of the word “Commission” to mean the National Land Commission.

Justification-To correct the omission of NLC.

Committee's Observation/Recommendation

The Committee adopted this proposal.

2. *Clause 3*

Propose –To Amend clause 3 to define the role of the National Land Commission pursuant to Article 67(2)(g) of the Constitution.

Justification- The Inclusion of the Constitutional provisions and specifying the NLC roles which had been omitted.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The role of the National Land Commissions (NLC) role has been provided for under clause 20 in relation to contribution in lieu of rates as well as under clause 12(3) which provides for the role of NLC in prescribing guidelines on royalties to be paid on natural

resources, forestry land and products obtained from natural resources and forestry land for purposes of rating.

3. Clause 4

Propose- The clause should be amended to require the county government to consult with the NLC when taking into account the effect of tax rates on public property held on behalf by the National Government on all public rateable property within the respective county.

Justification- The section fails to recognize the role of the National Land Commission in management and administration of public land on behalf of county and national governments pursuant to Article 67(2)(a) of the Constitution.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. Article 209(3) of the Constitution clearly assigns the authority to impose property rates to the counties. The Committee recognized that while the National Land Commission (NLC) plays a significant role in the management of public land, the imposition of rates is a fiscal power vested specifically in the county governments. The Committee concluded that mandating consultations with the NLC could undermine this constitutional provision by potentially diluting the autonomy of county governments to independently manage their fiscal responsibilities.

Clause 14

Propose- This should be amended to require the Cabinet Secretary to consult with the National Land Commission when making regulations for the implementation of the clause providing for annual rental value rating.

Justification- To provide for consultation and collaboration of government agencies. Additionally, the National Land Commission is directly involved in assessment of annual rental value during alienation and lease renewals.

Committee's Observation/Recommendation

The Committee did not accept this proposal. Clause 14 provides for the setting of the rate struck by the County Executive Committee Member and not the annual rental value rating.

4. Clause 20

Propose- This should be amended to provide that any objections arising from determinations made on contribution in lieu of rates should be first heard by a committee appointed by the NLC, and where a person is aggrieved by the decision of the Committee, such matter can be referred to the Tribunal within the prescribed timelines.

Justification- To provide structural and administrative clarity in dispute resolution before the Tribunal.

Committee's Observation/Recommendation

The Committee adopted this proposal, and noted that there is need to provide an avenue for the consideration and determination of disputes arising from determinations made on contribution in lieu of rates. However, the detailed procedures may be provided under regulations.

5. *Clause 25*

Propose- It is proposed that this clause be divided into two:

a) To provide for the responsibilities of the Chief Government Valuer to include causing a valuation to be undertaken for a respective county government upon request; advise on the preparation of valuation rolls; maintaining a depository of all valuation rolls prepared by each county government,

b) To provide for the responsibilities of the National Land Commission to include causing a valuation to be undertaken for a respective county government upon request; developing guidelines with respect to implementation of valuation rolls; advise on the preparation of rolls for rating areas; maintaining a depository of all valuation rolls prepared by each county government.

Justification- There is need for express inclusion of NLC's constitutional role in assessing rates and developing guidelines and regulations.

Committee's Observation/Recommendation

The Committee did not adopt this proposal.

6. *Clause 32*

Propose- This should be amended to include a sub-clause requiring that upon the CECM submitting the valuation roll to the County Assembly, the County Assembly

shall adopt the roll within 60 days' failure to which the roll shall be deemed to have been adopted.

Justification- To ensure that the County Assemblies expedite the process of adoption of the valuation roll within 60 days.

Committee's Observation/Recommendation

The Committee adopted this proposal. It was observed that there is a need to limit the time period within which the County Assembly must consider the valuation roll to sixty (60) sitting days. To streamline the process further, the Committee recommended that the scope of the County Assembly's consideration should be specifically confined to either approving or rejecting the valuation roll, rather than merely tabling it for discussion. In instances where the County Assembly fails to make a decision within the sixty sitting days following the tabling of the valuation roll, it shall be deemed to have been approved. This measure is intended to prevent delays in the adoption of valuation rolls, ensuring more efficient administrative processes within county governments.

7. *Clause 56*

Propose- This clause should be amended to ensure that the roles of the Cabinet Secretary, the County Government and the National Land Commission are consistent throughout the Bill.

Justification- To provide for consultation and collaboration of government agencies.

Committee's Observation/Recommendation

The Committee adopted this proposal in part. It was recognized that the role of the NLC in the prescribing of regulations is already outlined in Clause 56(3), which mandates the NLC to make regulations for the valuation of public land for the purpose of paying contributions in lieu of rates.

However, the Committee noted the necessity to amend Clause 56(1) to require mandatory consultation with the Council of County Governors and the Cabinet Secretary when prescribing regulations generally for the effective implementation of the provisions of the proposed law.

C. KILIFI COUNTY ALLIANCE (KCA)

In the memorandum, they proposed the following amendments to the Bill-

1. *Clause 9*

Propose- There is need to clarify which method of valuation the Bill intends to adopt.

Justification- Clause 9(2) of the Bill provides for the forms of rating that may adopted by the county government which include: annual rent value rating, area rating, unimproved site value rating or a site value rating in combination with an improvement rating. Clause 26 (1) on the other hand, provides that for purposes of preparing a valuation roll or supplementary valuation roll, the basis of valuation shall be the market value of a rateable property. It is therefore not clear which method of valuation the Bill intends to be used, and the provisions are contradictory.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. It was observed that methods of valuation are well-established and governed by International Valuation Standards and Kenya Valuation Standards, which provide guidelines that valuers apply based on the type of property being valued. The Committee clarified that these valuation methods are distinct from forms of rating, which are the mechanisms through which counties determine property rates. Forms of rating may involve various approaches such as assessing rental value, unimproved site value, or site value in combination with improvement rating, or even using area-based rates.

The distinction between valuation methods and forms of rating is crucial, and the Committee determined that each serves a specific purpose within the framework of property assessment and taxation, addressing different aspects of property valuation and rate imposition. Thus, the existing provisions are not contradictory but complementary, addressing different facets of property valuation and taxation.

2. *Clause 14*

Propose- The Bill should provide for a limit on the percentage which will be used to calculate the rates struck, which should be no greater than 4%. The Bill must also state that it requires the CECM responsible for Finance to engage the public in public participation on the subject of the rate struck, which he/she intends to propose in the Finance Act. He/she must be required to obtain rate payers' support for the rate struck.

Justification- The Bill makes no provision for a limit on the percentage which will be used to calculate the rates struck. Current legislation sets the upper limit at 4% of the value of a property listed in the valuation roll.

Committee's Observation/Recommendation

The Committee adopted this proposal. The Committee concurred with the proposal to set a cap on the rate calculation percentage at no more than 4% of the value of a property listed in the valuation roll.

Regarding the proposal for the County Executive Committee Member (CECM) responsible for Finance to conduct public participation on the rate to be proposed in the Finance Act, the Committee noted that provisions for public participation are already embedded in the process of considering the Finance Bill.

3. *Clause 29*

Propose- The Bill should provide that a valuation roll should continue for at least a 10-year period provided that supplementary valuation rolls may be required in the intervening years.

Justification- A period of 5 years is not practical given the volume of work and cost of undertaking a valuation-roll and the fact that the term of the county government is 5 years.

Committee's Observation/Recommendation

The Committee adopted this proposal, recognizing that extending the lifespan of the valuation roll to ten years is more sustainable and economically viable. It was noted that preparing a new roll every five years is financially and logistically challenging for many counties. Additionally, the Committee observed that despite the current requirements, many counties have struggled to update their valuation rolls within the prescribed timelines. Therefore, a ten-year period for each main valuation roll, supplemented by intermittent updates through supplementary rolls, is deemed more practical and efficient.

4. *Clause 34*

Propose-

- i. Under sub-clause (2) by amending to guarantee that objections by rate payers to a valuation roll will be free of charge.

Justification- This high fee will prohibit genuine objections from ordinary rate payers.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

- ii. Under sub-clause (3) by deleting the requirement for a person to file a notice of intention to lodge an objection before lodging an objection with the County Executive Committee Member.

Justification- This is an unnecessary and burdensome piece of administration. Objections should be filed directly to the body which will adjudicate the objection

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee held that maintaining the requirement to file a notice of intention is beneficial as it provides an opportunity for alternative dispute resolution (ADR) measures to be explored before escalating matters to the Tribunal.

- iii. Under sub-clause (5) (b) by deleting the requirement that objections received should be submitted to the valuer who undertook preparation of the draft valuation roll or draft supplementary valuation roll. The objections to a valuation roll must be adjudicated by an independent party.

Justification- It is not appropriate for those who prepared and published the valuation roll to act as the adjudicator of objections to the roll they produced.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The valuer responsible for the preparation of the valuation roll should receive objections to adequately prepare a response or defense concerning the values assigned in the roll. The valuer needs to receive a copy of the objection to enable him prepare a defence on the values assigned

- iv. Under sub-clause (6), the Bill must make it mandatory for a County Government to constitute a completely independent County Valuation Board with the authority to hear and determine objections to valuation rolls in the County.

Justification- This is the practical and most cost-effective method of providing the necessary independent body to hear and determine rate payers' objections to valuation rolls.

Committee's Observation/Recommendation

The Committee adopted this proposal. The Committee concurred that there was need to amend this clause to mandate the County Governments to establish a county valuation board at all times when an objection is raised.

5. *Clause 35*

Propose- This clause should be amended in sub-clause (1) by requiring that the County Executive Committee Member shall only endorse the draft valuation roll or the supplementary roll after the lapse of the 45 days, and after the determination of all objections by the County Valuation Board, including those the Board has been unable to determine and which have been passed to the Tribunal.

Justification- In the event of a draft valuation roll being certified by the CECM, and the rate struck being decided and approved by the County Assembly, the Bill makes no provision for ratepayers to be informed what rates they will then be liable to pay. The Bill must make it mandatory for County Governments to send official rate demands to every ratepayer in the county.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. Delaying the endorsement of valuation rolls until all objections are resolved could significantly hinder the operational finances of the counties. Lengthy litigation processes tied to objections can deprive counties of crucial revenue needed to fund services. Furthermore, the Committee noted that there is no compelling reason to withhold the collection of rates from ratepayers who do not have pending objections. The current system allows for the continuous provision of county services without disruption, benefiting the broader community even as specific disputes are addressed.

6. *Clause 57*

Propose-

- i. Under sub-clause (1) by excluding outdated valuation rolls which do not meet the requirements of the proposed law from the provision that the existing valuation rolls

prepared before the commencement of the Act shall be deemed to have been prepared under the proposed law.

Justification- The outdated valuation rolls underpinning the rates, which are charged in Kilifi County, meet none of the requirements of the Act and cannot legally be used for changing the rates currently charged or for creating new rates. Furthermore, the valuation-roll which the County Government attempted to introduce in 2019 was quashed by the court's judgment of 2021. It will set a dangerous precedent and will be wrong for the Bill to legitimize, even for a limited period, outdated valuation rolls, which are illegal and unfit for purpose.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee noted that sub-clause (2) of the Bill provides that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

- ii. Under sub-clause (2), there is need to amend the time period of twenty-four months within which existing rolls should conform with the proposed law, and increase it to a realistic timeframe.

Justification- To conform with the provisions of the Act, it will require a new and comprehensive valuation roll for which adequate funding, a realistic timeframe and appropriate expertise must be allowed.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The proposed timeframe of twenty-four months is sufficient for the County governments to pass county specific legislation that is aligned with the provisions in the Bill.

D. KENYA ALLIANCE OF RESIDENTS ASSOCIATION (KARA)

In the memorandum, they proposed the following amendments to the Bill-

1. *Clause 14*

Propose- The clause be amended by adding a sub-clause to provide that the amount of rates payable will remain the same for a period of not less than 10 years and be revised after such period other than setting the rates annually.

Justification- This provision exposes the public to annual increments of the property and land rates. This creates uncertainty for businesses which in turn makes the Counties unattractive to investors.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. Taxation cannot be fixed for a period of 10 years, as it should be responsive to the prevailing economic conditions.

2. *Clause 26*

Propose- Under sub-clause (1), the basis of valuation should be set based on the actual value of the rateable property rather than the ambiguous market value.

Justification- The issue of market value is ambiguous as market value is based on sentiment and not the actual value of the land or property. Market value of Land and property in Kenya is based on hoarding, speculation, and the willingness for a buyer to be extorted by the seller. It is not based on any tangible facts. By creating laws that are based on such a "quicksand" foundation, there can only be catastrophic failure of the law.

Committee's Observation/Recommendation

The Committee did not accept this proposal. Market value is an internationally accepted benchmark and reference point for valuation.

3. *Clause 34*

Propose- Under sub-clause (2), it is proposed that the non-refundable fee of Kshs 10,000/ paid for lodging an objection to valuation be reduced to Kshs 500/= or be abolished.

Justification- The high fees of ten thousand shillings will deter individuals who may be genuinely aggrieved but who cannot afford the amount, from making an objection. The Bill should seek to facilitate stakeholders' participation and engagement on decisions on

rating rather than deter the same. If there is a proper justification for a fee to be levied, the it should be nominal and affordable to majority property owners.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

4. *General*

Propose- The Bill should be amended to provide that existing County legislation on Rating and Valuation should conform with the proposed National Rating Bill.

Justification- Where the proposed national law merely offers non-binding guidelines, counties will proceed with their own legislation leading to confusion and lack of public support.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Bill already provides for this under Clause 57(2) which requires that that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

E. INSTITUTE OF SURVEYORS, KENYA (ISK)

In the memorandum, they proposed the following amendments to the Bill-

1. *Clause 2*

Propose-

- i. Refine the definition of '**contribution in lieu of rates**' to mean the amount of development finances extended to the county government, equivalent to the amount of rates payable in respect to the rating authority's jurisdiction.

Justification-

This will ensure clarity in definition.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The existing definition of contribution in lieu of rates in the Bill was deemed adequate. The Committee clarified that contribution in lieu of rates refers to a collective sum paid by the National Government, representing rates for land owned, held, or occupied by it, and is not directly tied to specific development finances as suggested in the proposal.

Propose-

- ii. Revise the definition of **'waiver'** to mean total or partial discharge from paying the overdue interest and penalties accrued on land rates

Justification-

This will ensure clarity in definition.

Committee's Observation/Recommendation

The Committee did not adopt this proposal as the definition provided in the Bill is sufficient.

Propose-

- iii. Revise the definition of **'county executive committee'** to mean the county executive member for the time being responsible for matters relating to valuation in the county, rather than to mean the county executive member for the time being responsible for matters relating to land.

Justification-

There is need to specifically address the valuation.

Committee's Observation/Recommendation

The Committee did not adopt this proposal as the definition provided in the Bill is sufficient.

Propose-

- iv. Amend the definition of **'occupier'** to mean a person in actual occupation, provided that person has a right to occupy the property, rather than to mean a person in actual occupation, whether or not that person has a right to occupy the property.

Justification-

This will avoid validation of illegal squatters or unauthorised occupiers of land who may take advantage of this clause to disposes legitimate owners.

Committee's Observation/Recommendation

The Committee reviewed the existing definition of an 'occupier' within the Bill, which is currently described as a person who is in physical possession of premises, or a person who has responsibility for and control over the condition of premises, the activities conducted on those premises, or control over access to the premises. This definition was found to be excessively broad and could lead to interpretative challenges during its implementation, particularly in cases where it might inadvertently include tenants as 'occupiers.'

Although the Committee did not adopt the initial proposal to amend the definition, it recognized the necessity to refine this definition to prevent potential misuse. The Committee recommended that the definition of an 'occupier' be amended to specify that it only applies only applies where the rateable owner is unknown. This change aims to clarify the term and ensure that it is not misapplied to persons other than the rateable owners.

Propose-

- v. Amend the definition of 'valuation roll' to mean the roll prepared in accordance with legislation

Justification-

There is need to align the valuation roll to the existing legislation.

Committee's Observation/Recommendation

The committee adopted this proposal.

2. Clause 3

Propose-

Proposed the deletion of the clause 3(1)(c) which provides for the role of the Chief Government valuer as part of the objectives of the Bill.

Justification-

This clause conflicts with county government mandate in the 4th schedule of Constitution of Kenya. Chief Government valuer is a national government function with no role in rate collection which is function of county officers. Instead, counties should each have Chief County Valuers.

Committee's Observation/Recommendation

The role of the Chief Government Valuer was deemed crucial for the purposes of developing standardized guidelines and harmonization in the preparation and implementation of valuation rolls. Additionally, the Chief Government Valuer plays a vital role in maintaining a depository and record of all valuation rolls for rating areas and advising county governments on the effective implementation of these rolls.

3. *Clause 6*

Propose-

Amend this clause to indicate that there shall be a centralized body to formulate rules concerning appropriate technological systems.

Justification-

This cannot be left for each county to establish technological systems to be used.

Committee's Observation/Recommendation

The Committee adopted this proposal.

4. *Clause 9*

Propose-

Amend Clause 9(2)(d) to provide for capital value/ improved site value as a form of rating that may be applied by the County Government.

Justification-

The rationale provided here is the need to have just one form.

Committee's Observation/Recommendation

The Committee did not accept this proposal as Clause 9(2)(d) of the Bill already provides for site value rating in combination with an improvement rating as a form of rating.

5. Clause 10

Propose-

Amend clause 10(2) to provide for publishing of the notice of rating on the official County social media accounts e.g., Twitter, Facebook.

Justification-

This will ensure wide reach of the masses in this age of social media.

Committee's Observation/Recommendation

The Committee did not adopt this proposal as clause 10(2)(b) already provides for electronic media.

6. Clause 12

Propose-

Proposal to delete this clause.

Justification-

Area rating is a flat rate applicable to all properties where this form of rating is adopted, irrespective of rental value. Not clear why rental value of each property is taken into consideration for this form of rating.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee observed that area rating plays a critical role, particularly in regions where land ownership is not comprehensively formalized through full titling, and in areas characterized by unregistered community land.

7. *Clause 19*

Propose-

It is proposed that this clause be amended sub-clause (3)(d) by specifying that the current market valuation should be done by an independent valuer in private practice and licensed to practice under the Valuers Act Cap 532.

Further, the clause be amended by inserting a provision that where the property is charged to a bank or mortgage lender, the bank or mortgage lender should also appoint a valuer. Further, the bank/lender to have a right to receive the funds realized from the sale of any such property before releasing the Title.

Justification-

This is to protect the rights of land owner i.e. valuer should not be under employment of the rating authority. This is to protect rights of lenders who hold the title as loan security.

Committee's Observation/Recommendation

The committee did not adopt this proposal. It was observed that any valuer who is qualified according to the provisions of the Bill is eligible to prepare a Valuation Roll, regardless of whether they are employed by the County, the National Government, or are in private practice. The Committee further noted that valuers are governed by the strict standards of the Valuers Act (Cap 532), ensuring their competence and impartiality.

Furthermore, the Committee noted that the powers of sale by a chargee and related procedural issues are adequately covered under the Land Act.

8. *Clause 21*

Propose-

- i) Delete the definition of 'lead valuer' and insert it under clause 2 (interpretations clause).

Justification-

The definition cannot be in the body.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The definition is correctly placed within this clause as it relates to a word used only within that clause.

Propose-

ii) It is proposed that this clause be deleted.

Justification-

Chief Government Valuer is a National Government function and should not interfere with valuation for rating which is purely a County Government Function done by Chief County Valuer.

Involvement of Chief Government Valuer in this process may lead to unnecessary bureaucracy which will make it hard for landowners to enjoy their rights to use their land.

This section conflicts with the 4th Schedule of Constitution.

Committee's Observation/Recommendation

The Committee did not adopt this proposal.

9. *Clause 30*

Propose-

Amend this clause to separate the provisions relating to the contents of a draft supplementary valuation roll.

Justification-

For clarity and consistency.

Committee's Observation/Recommendation

The Committee adopted this proposal.

10. *Clause 38*

Propose-

- i) Amend clause 38(1) by reducing the membership of the Tribunal to nine (9) members rather than fifteen members (15).

Justification-

Fifteen members is too big a committee. We recommend a 9-member committee according to Mwongozo Code.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Mwongozo code applies to Statutory Corporations.

Propose-

- ii) Further, the sub-clause (1)(b) be amended to provide that the persons possessing knowledge, skills and experience in valuation and rating and land surveying should be nominated by the Institution of Surveyors Kenya (ISK).

Justification-

ISK is a professional body comprising of valuers and would ensure adequate and proper representation.

Committee's Observation/Recommendation

The Committee did not adopt this proposal.

Propose-

- iii) Further, they propose that sub-clause (5) on the appointment of ad hoc members of the Tribunal, the number be reduced from a maximum of eighteen (18) to a maximum of nine (9) members.

Justification-

Eighteen members is too big a committee. We recommend a 9-member committee according to Mwongozo Code

Committee's Observation/Recommendation

The Committee did not adopt this proposal.

11. *Clause 56*

Propose-

This clause should be amended to make it mandatory for the Cabinet Secretary to make regulations for the better carrying into effect the provisions of the proposed law, that is, replacing the word 'may' with the word 'shall'.

Justification-

This is to compel the CS to make regulations. It should not be a choice.

Committee's Observation/Recommendation

The Committee did not adopt this proposal.

CHAPTER THREE

COMMITTEE OBSERVATIONS

The Committee made the following observations in line with its consideration of the National Rating Bill 2022 (National Assembly Bill No. 55 of 2022) –

1. Clause 2

- (i) The Committee reviewed the existing definition of an 'occupier' within the Bill, which is currently described as a person who is in physical possession of premises, or a person who has responsibility for and control over the condition of premises, the activities conducted on those premises, or control over access to the premises. This definition was found to be excessively broad and could lead to interpretative challenges during its implementation, particularly in cases where it might inadvertently include tenants as 'occupiers.'

The Committee observed the need to refine this definition to prevent potential misuse. The Committee recommended that the definition of an 'occupier' be amended to specify that it only applies where the rateable owner is unknown. This change aims to clarify the term and ensure that it is not misapplied to persons other than the rateable owners.

- (ii) The Committee observed that there is need to amend the definition of 'valuation roll' to indicate that '*valuation roll means a roll prepared in accordance with this Act.*'

2. Clause 12

The Committee observed that there was need to amend Clause 12(3) to mandate that the Cabinet Secretary engages in consultations with the National Land Commission and the County Governments when establishing guidelines regarding the royalties on natural resources, forestry land, and products derived from these resources and lands for the purposes of rating. This amendment is justified by the principle of inclusivity and cooperation between government levels as stipulated in Article 6(2) of the Constitution, which requires both levels of Government to consult and cooperate. The Committee believes that such consultations will ensure that the interests and inputs of

the County Governments are adequately represented and considered in the preparation of these crucial guidelines.

3. **Clause 14**

The Committee observed that the Bill does not make provision for a limit on the percentage which will be used to calculate the rates struck. It was observed that there is need to set a cap on the rate calculation percentage at no more than 4% of the value of a property listed in the valuation roll.

4. **Clause 20**

(a) The Committee observed that Article 67 of the Constitution provides that the functions of the National Land Commission include the management of public land on behalf of the national and county governments. Therefore, sub clause (2) which provides that the National Land Commission shall, in consultation with the Cabinet Secretary, make regulations for – all public land that should be included in the valuation roll; all public land excluded from appearing on the valuation roll for rating purposes; and all public land exempted for purposes of appearing on the valuation roll; aligns with the Constitution. However, in developing the regulations under clause 20, it is important that the National Land Commission consults not only with the Cabinet Secretary but also with the County Governments through the Council of Governors. As such, the clause may be amended to that extent.

(b) Under sub-clause (6), the Committee observed that involving the Ministry of Lands in the processing of claims for contribution in lieu of rates introduces unnecessary bureaucracy, potentially delaying the processing and payment of these claims to County Governments. The National Land Commission, as the manager of public land for both levels of Government, is ideally positioned to streamline this process, thereby ensuring timely and efficient handling of claims.

5. **Clause 29**

The Committee observed that Clause 29 of the Bill should be amended to stipulate that a valuation roll remains valid for a minimum period of ten years, although supplementary valuation rolls may be necessary during this period. This amendment is proposed in recognition of the fact that extending the lifespan of the valuation roll to ten years is more sustainable and economically viable. The rationale behind this

change is that the current five-year period will be financially and logistically burdensome for many counties. Furthermore, even with the current 10 year lifespan, there have been significant delays in the timely update of valuation rolls across various counties. Therefore, instituting a ten-year period for each primary valuation roll, with the allowance for supplementary valuation rolls as required, may be a more practical and efficient approach.

6. **Clause 30**

The Committee observed that there was need to separate the provisions for valuation roll and the supplementary valuation roll.

7. **Clause 32**

(i) The Committee noted that sub-clause (3) requires the County Executive Committee Member to forward a draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer. However, the purpose of forwarding these rolls was not explicitly stated, leading to some ambiguity. Subsequently, sub-clause (4) stipulates that the Chief Government Valuer must submit a written report to the County Executive Committee Member within thirty days of receiving the draft rolls. The Committee recognized the need to specify the intent behind sending the rolls to the Chief Government Valuer.

(ii) Under sub-clause (6), the Committee observed that there is a need to limit the time period within which the County Assembly must consider the valuation roll to sixty (60) sitting days. To streamline the process further, the Committee recommended that the scope of the County Assembly's consideration should be specifically confined to either approving or rejecting the valuation roll, rather than merely tabling it for discussion. In instances where the County Assembly fails to make a decision within the sixty sitting days following the tabling of the valuation roll, it shall be deemed to have been approved. This measure is intended to prevent delays in the adoption of valuation rolls, ensuring more efficient administrative processes within county governments.

8. **Clause 34**

The Committee considered the provisions under Sub-Clause (6), which currently uses the term 'may' in reference to the establishment of a county valuation board. This wording suggests that creating such a board is optional under county legislation. However, the Committee observed that establishing a county valuation board is

crucial to ensure impartiality and effectiveness in resolving disputes concerning property valuations. The need for such a board is not merely preferable but essential for maintaining the integrity of the valuation process. Therefore, the Committee recommended amending this clause to make the establishment of county valuation boards mandatory in county legislation. While the frequency of board meetings may vary based on need, the existence of the board itself should be a constant and compulsory element within every county's legislation on valuation and rating.

9. **Clause 56**

The Committee noted the necessity to amend—

- (a) sub-clause (1) to require mandatory consultation with the Council of County Governors and the Cabinet Secretary when prescribing regulations generally for the effective implementation of the provisions of the proposed law; and
- (b) in sub-clause (2) to provide for the formulation of standard rules concerning the use of appropriate technological systems in the preparation and implementation of the valuation roll of the supplementary valuation roll.

CHAPTER FOUR

COMMITTEE RECOMMENDATIONS

The Committee having reviewed the National Rating Bill 2022 (National Assembly Bill No.55 of 2022) and conducted public participation, made the following recommendations:

1. **Clause 2**

(i) The Committee recommended that the definition of an 'occupier' within the Bill be amended to provide that an occupier in relation to rateable property is a person who is in physical possession of premises, or a person who has responsibility for and control over the condition of premises, where the rateable owner is unknown.

(ii) The Committee recommended that the definition of 'valuation roll' be amended to provide that '*valuation roll means a roll prepared in accordance with this Act.*'

2. **Clause 12**

The Committee recommended that sub-clause (3) be amended to include the Council of County Governors as amongst the institutions to be consulted by the Cabinet Secretary when prescribing guidelines on the royalties for natural resources, forestry land, and related products. This amendment would ensure the inclusivity and cooperation between different levels of government as required by Article 6(2) of the Constitution, ensuring that county interests are properly represented and considered.

3. **Clause 14**

The Committee recommended that this clause be amended by inserting 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. This measure is intended to provide a uniform and predictable framework for the imposition of rates across counties, enhancing fairness in tax obligations.

4. **Clause 20**

(a) The Committee recommended that sub-clause (2) of clause 20 be amended to provide that the National Land Commission, in addition to consulting with the

Cabinet Secretary, also consults the Council of County Governors in the development of regulations concerning the inclusion, exclusion, and exemption of public land on valuation rolls.

- (b) The Committee further recommended that sub-clause (6) be amended by deleting the requirement to involve the Ministry of Lands in the processing of claims for contributions in lieu of rates, proposing that the National Land Commission handle these directly to reduce bureaucracy and enhance efficiency.

5. **Clause 29**

The Committee recommended that sub-clause (1) of clause 29 be amended to provide that the preparation of a valuation roll should be undertaken in every ten (10) years rather than five (5) years.

6. **Clause 30**

The Committee recommended that this sub-clause be amended to separate the provisions for valuation roll and the supplementary valuation roll.

7. **Clause 32**

- (a) The Committee recommended that sub clause (3) be amended to clarify that the County Executive Committee Member is to forward the draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer specifically to receive feedback through the report outlined in sub-clause (4).
- (b) Further, the Committee recommended that sub-clause (6) be amended to provide that: -
 - (i) The purpose for submission of the draft valuation roll, or draft supplementary valuation roll shall be for consideration and approval;
 - (ii) The County Assembly shall consider the draft valuation roll, or draft supplementary valuation roll within sixty (60) sitting days and either approve or reject the rolls within the timeframe; and,
 - (iii) Where a county assembly fails to make a decision within the period, the draft valuation roll, or draft supplementary valuation roll shall be deemed approved.

8. **Clause 34**

The Committee recommended that sub-clause (6) be amended to make the establishment of county valuation boards mandatory in county legislation, ensuring that these boards consistently exist and operate to handle valuation disputes impartially and effectively.

9. **Clause 56**

The Committee recommended that—

- (a) sub-clause (1) be amended to require the Cabinet Secretary to consult with the Council of County Governors when prescribing regulations for the effective implementation of the law; and
- (b) in sub-clause (2) be amended by providing for the formulation of standard rules concerning the use of appropriate technological systems in the preparation and implementation of the valuation roll of the supplementary valuation roll.

30th April, 2024

The Clerk of the Senate
Parliament Buildings
NAIROBI

RE: COMMITTEE STAGE AMENDMENTS TO THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILLS NO. 55 OF 2022).

NOTICE is given that Sen. John Muhia Methu, the Chairperson to the Standing Committee on Land, Environment and Natural Resources, intends to move the following amendments to the National Rating Bill, 2022 (National Assembly Bills No. 55 of 2022), at the Committee Stage—

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’.

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 CLAUSES

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 supplementary 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.

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;

Dated2nd May, 2024.....



Sen. John Muhia Methu,
Chairperson,
Committee on Land, Environment and Natural Resources.

APPENDICES

- Annex I:** Minutes of the meetings
- Annex II:** Newspaper Advert
- Annex III:** Stakeholder Submissions/ Public Views

ANNEX I - MINUTES



MINUTES OF THE FIFTEENTH (15TH) SITTING OF THE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES HELD ON TUESDAY, 30TH APRIL, 2024 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT 9:00 AM

PRESENT

- | | |
|---|--------------------|
| 1. Sen. John Muhia Methu, MP | - Chairperson |
| 2. Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP | - Vice Chairperson |
| 3. Sen. Johnes Mwashushe Mwaruma, MP | - Member |
| 4. Sen. Mariam Sheikh Omar, MP | - Member |
| 5. Sen. Beatrice Akinyi Ogola, MP | - Member |

ABSENT WITH APOLOGIES

- | | |
|--|----------|
| 1. Sen. William Cheptumo Kipkiror, CBS, MP | - Member |
| 2. Sen. Issa Juma Boy, MP | - Member |
| 3. Sen. Agnes Kavindu Muthama, MP | - Member |
| 4. Sen. Wamatinga Wahome, MP | - Member |

IN ATTENDANCE

- | | |
|------------------------|---------------------------------|
| 1. Mr. Victor Bett | - Clerk Assistant I |
| 2. Ms. Ivy Nyambura | - Clerk Assistant III |
| 3. Ms. Angela Kagunyi | - Legal Counsel II |
| 4. Ms. Janice Naserian | - Research Officer III |
| 5. Ms. Lydia Kagumba | - Public Communications Officer |
| 6. Mr. Jack Lemeteki | - Media Relations Officer |
| 7. Ms. Shirley Milimu | - Audio Officer III |
| 8. Ms. Sarah Rukwaro | - Serjeant at Arms |

SECRETARIAT

MINUTE SEN/LENR/066/2024:

PRELIMINARIES

The Chair called the meeting to order at 9.20 am. This was followed by a word of prayer.

MINUTE SEN/LENR/067/2024:

ADOPTION OF AGENDA

The agenda was adopted after having been proposed by Sen. Beatrice Akinyi Ogola, MP and seconded by Sen. Johnes Mwashushe Mwaruma, MP as follows -

1. Prayer;

2. Adoption of the Agenda;
3. Confirmation of Previous Minutes;
4. Matters Arising;
5. **Adoption of the Committee Report on the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022);**
6. **Consideration of the Committee Work plan for May 2024 (Committee Paper No.10);**
7. Any Other Business; and
8. Date of the Next Meeting and Adjournment.

MINUTE SEN/LENR/068/2024:

CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS

The Committee confirmed the Minutes of the tenth (10th) meeting held on 4th March, 2024 as a true record of events after having been proposed by Sen. Johnes Mwaruma, MP and seconded and Sen. Mariam Sheikh Omar, MP respectively;

The Committee confirmed the Minutes of the twelfth (12th) meeting held on 4th March, 2024 as a true record of events after having been proposed by Sen. Johnes Mwaruma, MP and seconded and Sen. Mariam Sheikh Omar, MP respectively;

The Committee confirmed the Minutes of the thirteenth (13th) meeting held on 4th March, 2024 as a true record of events after having been proposed by Sen. Johnes Mwaruma, MP and seconded and Sen. Mariam Sheikh Omar, MP respectively;

The Committee confirmed the Minutes of the fourteenth (14th) meeting held on 4th March, 2024 as a true record of events after having been proposed by Sen. Johnes Mwaruma, MP and seconded and Sen. Mariam Sheikh Omar, MP respectively;

MINUTE SEN/LENR/069/2024:

MATTERS ARISING

There were no matters arising.

MINUTE SEN/LENR/070/2024:

ADOPTION OF THE COMMITTEE REPORT ON THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILL NO. 55 OF 2022)

The Committee adopted the report of the Committee on the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022) after having been proposed by Sen. Beatrice Akinyi Ogola, MP and seconded by Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP.

MINUTE SEN/LENR/071/2024:

**CONSIDERATION OF THE COMMITTEE
WORK PLAN FOR MAY 2024
(COMMITTEE PAPER NO.10)**

The Committee considered the proposed work plan and resolved to adopt it with amendments as follows-

- i. Committee to schedule an internal meeting on the Natural Resources (Benefit Sharing) Bill (Senate Bills No. 11 of 2022) before proceeding to mediation with the National Assembly on Thursday 9th May, 2024 together with another agenda;
- ii. Secretariat to send a letter of invitation to the Governor, Busia County regarding the petition on the Changara Water Pan, World Bank funded project in Busia County; and
- iii. Secretariat to send reminder letters to previously contacted stakeholders on the various petitions pending before the Committee.

MINUTE SEN/LENR/072/2024

ANY OTHER BUSINESS

There was no other business discussed.

MINUTE SEN/LENR/073/2024

**ADJOURNMENT AND DATE OF
NEXT MEETING**

The meeting was adjourned at 10:03 am. The date of the next meeting was scheduled for Tuesday, 7th May, 2024.

Signed _____



Date _____

30.4.24

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON

**STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES.**



MINUTES OF THE FOURTEENTH (14TH) SITTING OF THE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES HELD ON SATURDAY, 6TH APRIL, 2024 AT SAROVA WHITESANDS HOTEL, MOMBASA COUNTY AT 9:00 AM

PRESENT

- | | |
|---|--------------------|
| 1. Sen. John Muhia Methu, MP | - Chairperson |
| 2. Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP | - Vice Chairperson |
| 3. Sen. Issa Juma Boy, MP | - Member |
| 4. Sen. Johnes Mwashushe Mwaruma, MP | - Member |
| 5. Sen. Agnes Kavindu Muthama, MP | - Member |
| 6. Sen. Mariam Sheikh Omar, MP | - Member |

ABSENT WITH APOLOGIES

- | | |
|--|----------|
| 1. Sen. William Cheptumo Kipkiror, CBS, MP | - Member |
| 2. Sen. Wamatinga Wahome, MP | - Member |
| 3. Sen. Beatrice Akinyi Ogola, MP | - Member |

IN ATTENDANCE

SECRETARIAT

- | | |
|------------------------|------------------------------|
| 1. Mr. Stephen Gikonyo | -Principal Clerk Assistant I |
| 2. Mr. Victor Bett | - Clerk Assistant I |
| 3. Ms. Ivy Nyambura | - Clerk Assistant III |
| 4. Ms. Angela Kagunyi | - Legal Counsel II |
| 5. Ms. Janice Naserian | -Research Officer III |
| 6. Mr. Jack Lemeteki | - Media Relations Officer |
| 7. Mr. Victor Kimani | - Audio Officer III |
| 8. Ms. Sarah Rukwaro | - Serjeant at Arms |

MINUTE SEN/LENR/070/2024:

PRELIMINARIES

The Chair called the meeting to order at 9. 08 am. This was followed by a word of prayer.

MINUTE SEN/LENR/071/2024:

CONSIDERATION OF THE PUBLIC
VIEWS MATRIX ON THE NATIONAL
RATING BILL, 2022 (NATIONAL
ASSEMBLY BILL NO. 55 OF 2022)

The legal counsel took the Members through proposals of the remaining clauses as follows-

1. Clause 37

COG

Proposal

It is proposed that this clause be amended by providing for the establishment of tribunals at the county level.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The establishment of tribunals at the County levels is not necessary as the Bill already provides for the establishment of County Valuation Boards which may hear objections in the first instance before referral to the National Rating Tribunal.

2. Clause 56

NLC

Proposal

This clause should be amended to ensure that the roles of the Cabinet Secretary, the County Government and the National Land Commission are consistent throughout the Bill.

Committee determination

The Committee adopted this proposal in part. It was recognized that the role of the NLC in the prescribing of regulations is already outlined in Clause 56(3), which mandates the NLC to make regulations for the valuation of public land for the purpose of paying contributions in lieu of rates.

However, the Committee noted the necessity to amend Clause 56(1) to require mandatory consultation with the Council of County Governors and the Cabinet Secretary when prescribing regulations generally for the effective implementation of the provisions of the proposed law.

ISK

Proposal

This clause should be amended to make it mandatory for the Cabinet Secretary to make regulations for the better carrying into effect the provisions of the proposed law, that is, replacing the word ‘may’ with the word ‘shall’.

Committee determination

The Committee did not adopt this proposal.

3. Clause 57

Kilifi County Association

Proposal

- i. Under sub-clause (1) by excluding outdated valuation rolls which do not meet the requirements of the proposed law from the provision that the existing valuation rolls prepared before the commencement of the Act shall be deemed to have been prepared under the proposed law.

Committee determination

The Committee did not adopt this proposal. The Committee noted that sub-clause (2) of the Bill provides that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

- ii. Under sub-clause (2), there is need to amend the time period of twenty-four months within which existing rolls should conform with the proposed law, and increase it to a realistic timeframe.

Committee’s Observation/Recommendation

The Committee did not adopt this proposal. The proposed timeframe of twenty-four months is sufficient for the County governments to pass county specific legislation that is aligned with the provisions in the Bill.

4. *General*

Proposal

The Bill should be amended to provide that existing County legislation on Rating and Valuation should conform with the proposed National Rating Bill.

Committee determination

The Committee did not adopt this proposal. The Bill already provides for this under Clause 57(2) which requires that that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

MINUTE SEN/LENR/072/2024

ANY OTHER BUSINESS

There was no other business discussed.

MINUTE SEN/LENR/073/2024

**ADJOURNMENT AND DATE OF
NEXT MEETING**

The meeting was adjourned at 12:55 pm. The date of the next meeting was to be called on notice.

Signed _____



Date _____

30/4/24

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON

**STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES**



MINUTES OF THE THIRTEENTH (13TH) SITTING OF THE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES HELD ON FRIDAY, 5TH APRIL, 2024 AT SAROVA WHITESANDS HOTEL, MOMBASA COUNTY AT 2:00 PM

PRESENT

- | | |
|---|--------------------|
| 1. Sen. John Muhia Methu, MP | - Chairperson |
| 2. Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP | - Vice Chairperson |
| 3. Sen. Issa Juma Boy, MP | - Member |
| 4. Sen. Johnes Mwashushe Mwaruma, MP | - Member |
| 5. Sen. Agnes Kavindu Muthama, MP | - Member |
| 6. Sen. Mariam Sheikh Omar, MP | - Member |

ABSENT WITH APOLOGIES

- | | |
|--|----------|
| 1. Sen. William Cheptumo Kipkiror, CBS, MP | - Member |
| 2. Sen. Wamatinga Wahome, MP | - Member |
| 3. Sen. Beatrice Akinyi Ogola, MP | - Member |

IN ATTENDANCE

SECRETARIAT

- | | |
|------------------------|------------------------------|
| 1. Mr. Stephen Gikonyo | -Principal Clerk Assistant I |
| 2. Mr. Victor Bett | - Clerk Assistant I |
| 3. Ms. Ivy Nyambura | - Clerk Assistant III |
| 4. Ms. Angela Kagunyi | - Legal Counsel II |
| 5. Ms. Janice Naserian | -Research Officer III |
| 6. Mr. Jack Lemeteki | - Media Relations Officer |
| 7. Mr. Victor Kimani | - Audio Officer III |
| 8. Ms. Sarah Rukwaro | - Serjeant at Arms |

MINUTE SEN/LENR/066/2024:

PRELIMINARIES

The Chair called the meeting to order at 2. 24 Pm. This was followed by a word of prayer.

MINUTE SEN/LENR/067/2024:

CONSIDERATION OF THE PUBLIC VIEWS MATRIX ON THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILL NO. 55 OF 2022)

The Committee considered the following Clauses as follows-

1. Clause 34

Kilifi County Alliance

Proposal

i. Under sub-clause (2) by amending to guarantee that objections by rate payers to a valuation roll will be free of charge.

Committee's Determination

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

ii. Under sub-clause (3) by deleting the requirement for a person to file a notice of intention to lodge an objection before lodging an objection with the County Executive Committee Member.

Committee Determination

The Committee did not adopt this proposal. The Committee held that maintaining the requirement to file a notice of intention is beneficial as it provides an opportunity for alternative dispute resolution (ADR) measures to be explored before escalating matters to the Tribunal.

iii. Under sub-clause (5) (b) by deleting the requirement that objections received should be submitted to the valuer who undertook preparation of the draft valuation roll or draft supplementary valuation roll. The objections to a valuation roll must be adjudicated by an independent party.

Committee Determination

The Committee did not adopt this proposal. The valuer responsible for the preparation of the valuation roll should receive objections to adequately prepare a response or defense concerning the values assigned in the roll. The valuer needs to receive a copy of the objection to enable him prepare a defence on the values assigned

KARA

Proposal

Under sub-clause (2), it is proposed that the non-refundable fee of Kshs 10,000/ paid for lodging an objection to valuation be reduced to Kshs 500/= or be abolished.

Committee Determination

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

2. Clause 35

Kilifi County Alliance

Proposal

This clause should be amended in sub-clause (1) by requiring that the County Executive Committee Member shall only endorse the draft valuation roll or the supplementary roll after the lapse of the 45 days, and after the determination of all objections by the County Valuation Board, including those the Board has been unable to determine and which have been passed to the Tribunal.

Committee determination

The Committee did not adopt this proposal. Delaying the endorsement of valuation rolls until all objections are resolved could significantly hinder the operational finances of the counties. Lengthy litigation processes tied to objections can deprive counties of crucial revenue needed to fund services. Furthermore, the Committee noted that there is no compelling reason to withhold the collection of rates from ratepayers who do not have pending objections. The current system allows for the continuous provision of county services without disruption, benefiting the broader community even as specific disputes are addressed.

3. Clause 36

COG

Proposal

It is proposed that this clause which provides for the exemptions be deleted.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The main purpose of the Bill is to provide a uniform legislative framework for the imposition of rates on land and buildings by county governments. It is essential that this framework includes a clear, legislatively mandated set of guidelines for exemptions that applies uniformly

across the country. This uniformity ensures that all entities are treated equally under the law, avoiding disparities and potential conflicts that could arise from varied interpretations or implementations of exemption criteria at the county level. By maintaining a standardized approach within the primary legislation, the Bill ensures consistency, fairness, and transparency in the application of exemptions, thereby reinforcing the principles of equity and justice within the taxation system.

MINUTE SEN/LENR/068/2024

ANY OTHER BUSINESS

There was no other business discussed.

MINUTE SEN/LENR/069/2024

ADJOURNMENT AND DATE OF
NEXT MEETING

The meeting was adjourned at 4:55 pm. The date of the next meeting was to be called on notice.

Signed  Date 30/4/24

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON
STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES



MINUTES OF THE TWELVETH (12TH) SITTING OF THE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES HELD ON FRIDAY, 5TH APRIL, 2024 AT SAROVA WHITESANDS HOTEL, MOMBASA COUNTY AT 9:00 AM

PRESENT

- | | |
|---|--------------------|
| 1. Sen. John Muhia Methu, MP | - Chairperson |
| 2. Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP | - Vice Chairperson |
| 3. Sen. Issa Juma Boy, MP | - Member |
| 4. Sen. Johnes Mwashushe Mwaruma, MP | - Member |
| 5. Sen. Agnes Kavindu Muthama, MP | - Member |
| 6. Sen. Mariam Sheikh Omar, MP | - Member |

ABSENT WITH APOLOGIES

- | | |
|--|----------|
| 1. Sen. William Cheptumo Kipkiror, CBS, MP | - Member |
| 2. Sen. Wamatinga Wahome, MP | - Member |
| 3. Sen. Beatrice Akinyi Ogola, MP | - Member |

IN ATTENDANCE

SECRETARIAT

- | | |
|------------------------|------------------------------|
| 1. Mr. Stephen Gikonyo | -Principal Clerk Assistant I |
| 2. Mr. Victor Bett | - Clerk Assistant I |
| 3. Ms. Ivy Nyambura | - Clerk Assistant III |
| 4. Ms. Angela Kagunyi | - Legal Counsel II |
| 5. Ms. Janice Naserian | -Research Officer III |
| 6. Mr. Jack Lemeteki | - Media Relations Officer |
| 7. Mr. Victor Kimani | - Audio Officer III |
| 8. Ms. Sarah Rukwaro | - Serjeant at Arms |

MINUTE SEN/LENR/062/2024:

PRELIMINARIES

The Chair called the meeting to order at 9. 29 am. This was followed by a word of prayer.

MINUTE SEN/LENR/063/2024:

**CONSIDERATION OF THE PUBLIC
VIEWS MATRIX ON THE NATIONAL
RATING BILL, 2022 (NATIONAL
ASSEMBLY BILL NO. 55 OF 2022)**

The legal counsel took the Members through proposals of the remaining clauses as follows-

1. **Clause 21**

ISK

Proposal

Delete the definition of 'lead valuer' and insert it under clause 2 (interpretations clause).

Committee determination

The Committee did not adopt this proposal. The definition is correctly placed within this clause as it relates to a word used only within that clause.

Proposal

It is proposed that this clause be deleted.

Committee Determination

The Committee did not adopt this proposal.

2. **Clause 25**

COG

Proposal

This clause should be amended to provide for the responsibilities of the National government which include:

- (a) Develop guidelines with respect to standardization and harmonization on preparation and implementation of valuation rolls;
- (b) Regulation of the profession of valuers; and
- (c) Capacity building the County Governments on matters rating and valuation.

Committee Determination

The Committee did not adopt this proposal. The Bill already provides for the respective functions of each level of Government with respect to valuation.

NLC

Proposal

It is proposed that this clause be divided into two:

a) To provide for the responsibilities of the Chief Government Valuer to include causing a valuation to be undertaken for a respective county government upon request; advise on the preparation of valuation rolls; maintaining a depository of all valuation rolls prepared by each county government,

b) To provide for the responsibilities of the National Land Commission to include causing a valuation to be undertaken for a respective county government upon request; developing guidelines with respect to implementation of valuation rolls; advise on the preparation of rolls for rating areas; maintaining a depository of all valuation rolls prepared by each county government.

Committee Determination

The Committee did not adopt this proposal.

3. **Clause 30**

ISK

Proposal

Amend this clause to separate the provisions relating to the contents of a draft supplementary valuation roll.

Committee Determination

The Committee adopted this proposal.

4. **Clause 32**

COG

Proposal

- i. Sub-clause (3) which provides that the CEC Member shall forward a copy of the draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer should be deleted.

Committee Determination

The Committee noted that sub-clause (3) mandates the County Executive Committee Member to forward a draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer. However, the purpose of forwarding these rolls was not explicitly stated, leading to some ambiguity. Subsequently, sub-clause (4) stipulates that the Chief Government Valuer must submit a written report to the County Executive Committee Member within thirty days of receiving the draft rolls. In response to concerns expressed by the Council of Governors regarding the clarity of this process, the Committee recognized the need to specify the intent behind sending the rolls to the Chief Government Valuer. Therefore, the Committee recommended amending the procedure to clarify that the County Executive Committee Member is to forward the draft valuation roll or draft supplementary valuation roll to the Chief Government Valuer specifically to receive feedback through the report outlined in sub-clause (4).

Proposal

- ii. Sub-clause (4) which requires the Chief Government Valuer to submit a written report to the County Executive Committee Member within thirty days of the receipt of the draft valuation roll or draft supplementary valuation roll should be deleted.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The Committee observed that this sub-clause plays a critical role in assisting counties by identifying and addressing any discrepancies in a valuation roll prior to the expenditure of public resources. This step is deemed essential for maintaining the integrity and accuracy of the valuation rolls, thus ensuring that county resources are utilized effectively.

NLC

Proposal

This should be amended to include a sub-clause requiring that upon the CECM submitting the valuation roll to the County Assembly, the County Assembly shall adopt the roll within 60 days' failure to which the roll shall be deemed to have been adopted.

Committee determination

The Committee adopted this proposal. It was observed that there is a need to limit the time period within which the County Assembly must consider the valuation roll to sixty (60) sitting days. To streamline the process further, the Committee recommended that the scope of the County Assembly's consideration should be specifically confined to either approving or rejecting the valuation roll, rather than merely tabling it for discussion. In instances where the County Assembly fails to make a decision within the sixty sitting days following the tabling of the valuation roll, it shall be deemed to have been approved. This measure is intended to prevent delays in the adoption of valuation rolls, ensuring more efficient administrative processes within county governments.

5. Clause 34

Kilifi County Alliance

Proposal

- i. Under sub-clause (2) by amending to guarantee that objections by rate payers to a valuation roll will be free of charge.

Committee's Determination

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

- ii. Under sub-clause (3) by deleting the requirement for a person to file a notice of intention to lodge an objection before lodging an objection with the County Executive Committee Member.

Committee Determination

The Committee did not adopt this proposal. The Committee held that maintaining the requirement to file a notice of intention is beneficial as it provides an opportunity for alternative dispute resolution (ADR) measures to be explored before escalating matters to the Tribunal.

- iii. Under sub-clause (5) (b) by deleting the requirement that objections received should be submitted to the valuer who undertook preparation of the draft valuation roll or draft supplementary valuation roll. The objections to a valuation roll must be adjudicated by an independent party.

Committee Determination

The Committee did not adopt this proposal. The valuer responsible for the preparation of the valuation roll should receive objections to adequately prepare a response or defense concerning the values assigned in the roll. The valuer needs to receive a copy of the objection to enable him prepare a defence on the values assigned

KARA

Proposal

Under sub-clause (2), it is proposed that the non-refundable fee of Kshs 10,000/ paid for lodging an objection to valuation be reduced to Kshs 500/= or be abolished.

Committee Determination

The Committee did not adopt this proposal. The Committee observed that the imposition of a fee is crucial to prevent the submission of frivolous objections, which can unduly burden the administrative process. The fee serves as a filter, ensuring that only serious and considered objections are presented.

6. Clause 35

Kilifi County Alliance

Proposal

This clause should be amended in sub-clause (1) by requiring that the County Executive Committee Member shall only endorse the draft valuation roll or the supplementary roll after the lapse of the 45 days, and after the determination of all objections by the County Valuation Board, including those the Board has been unable to determine and which have been passed to the Tribunal.

Committee determination

The Committee did not adopt this proposal. Delaying the endorsement of valuation rolls until all objections are resolved could significantly hinder the operational finances of the counties. Lengthy litigation processes tied to objections can deprive counties of crucial revenue needed to fund services. Furthermore, the Committee noted that there is no compelling reason to withhold the collection of rates from ratepayers who do not have pending objections. The current system allows for the continuous provision of county services without disruption, benefiting the broader community even as specific disputes are addressed.

7. Clause 36

COG

Proposal

It is proposed that this clause which provides for the exemptions be deleted.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The main purpose of the Bill is to provide a uniform legislative framework for the imposition of rates on land and buildings by county governments. It is essential that this framework includes a clear, legislatively mandated set of guidelines for exemptions that applies uniformly across the country. This uniformity ensures that all entities are treated equally under the law, avoiding disparities and potential conflicts that could arise from varied interpretations or implementations of exemption criteria at the county level. By maintaining a standardized approach within the primary legislation, the Bill ensures consistency, fairness, and transparency in the application of exemptions, thereby reinforcing the principles of equity and justice within the taxation system.

8. Clause 37

COG

Proposal

It is proposed that this clause be amended by providing for the establishment of tribunals at the county level.

Committee's Observation/Recommendation

The Committee did not adopt this proposal. The establishment of tribunals at the County levels is not necessary as the Bill already provides for the establishment of County Valuation Boards which may hear objections in the first instance before referral to the National Rating Tribunal.

9. Clause 56

NLC

Proposal

This clause should be amended to ensure that the roles of the Cabinet Secretary, the County Government and the National Land Commission are consistent throughout the Bill.

Committee determination

The Committee adopted this proposal in part. It was recognized that the role of the NLC in the prescribing of regulations is already outlined in Clause 56(3), which mandates the NLC to make regulations for the valuation of public land for the purpose of paying contributions in lieu of rates.

However, the Committee noted the necessity to amend Clause 56(1) to require mandatory consultation with the Council of County Governors and the Cabinet Secretary when prescribing regulations generally for the effective implementation of the provisions of the proposed law.

ISK

Proposal

This clause should be amended to make it mandatory for the Cabinet Secretary to make regulations for the better carrying into effect the provisions of the proposed law, that is, replacing the word ‘may’ with the word ‘shall’.

Committee determination

The Committee did not adopt this proposal.

10. Clause 57

Kilifi County Association

Proposal

- i. Under sub-clause (1) by excluding outdated valuation rolls which do not meet the requirements of the proposed law from the provision that the existing valuation rolls prepared before the commencement of the Act shall be deemed to have been prepared under the proposed law.

Committee determination

The Committee did not adopt this proposal. The Committee noted that sub-clause (2) of the Bill provides that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

- ii. Under sub-clause (2), there is need to amend the time period of twenty-four months within which existing rolls should conform with the proposed law, and increase it to a realistic timeframe.

Committee’s Observation/Recommendation

The Committee did not adopt this proposal. The proposed timeframe of twenty-four months is sufficient for the County governments to pass county specific legislation that is aligned with the provisions in the Bill.

11. *General*

Proposal

The Bill should be amended to provide that existing County legislation on Rating and Valuation should conform with the proposed National Rating Bill.

Committee determination

The Committee did not adopt this proposal. The Bill already provides for this under Clause 57(2) which requires that that where existing valuation rolls do not conform with the provisions of the Act, the county government shall within twenty-four months of the commencement of this Act bring them into conformity.

MINUTE SEN/LENR/064/2024

ANY OTHER BUSINESS

There was no other business discussed.

MINUTE SEN/LENR/065/2024

ADJOURNMENT AND DATE OF NEXT MEETING

The meeting was adjourned at 1:02 pm. The date of the next meeting was to be called on notice.

Signed  Date 30/4/24

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON
STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES



MINUTES OF THE TENTH (10TH) SITTING OF THE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES HELD ON TUESDAY, 26TH MARCH, 2024 IN COMMITTEE ROOM 5, FIRST FLOOR, MAIN PARLIAMENT BUILDING AT 9:00 AM

PRESENT

- | | |
|---|--------------------|
| 1. Sen. John Muhia Methu, MP | - Chairperson |
| 2. Sen. (Dr.) Steve Lelegwe Ltumbesi, CBS, MP | - Vice Chairperson |
| 3. Sen. Johnes Mwashushe Mwaruma, MP | - Member |
| 4. Sen. Agnes Kavindu Muthama, MP | - Member |
| 5. Sen. Beatrice Akinyi Ogola, MP | - Member |
| 6. Sen. Mariam Sheikh Omar, MP | - Member |

ABSENT WITH APOLOGIES

- | | |
|--|----------|
| 1. Sen. William Cheptumo Kipkiror, CBS, MP | - Member |
| 2. Sen. Issa Juma Boy, MP | - Member |
| 3. Sen. Wamatinga Wahome, MP | - Member |

IN ATTENDANCE

SECRETARIAT

- | | |
|------------------------|---------------------------|
| 1. Mr. Victor Bett | - Clerk Assistant I |
| 2. Ms. Ivy Nyambura | - Clerk Assistant III |
| 3. Ms. Angela Kagunyi | - Legal Counsel II |
| 4. Mr. John Gichia | -Research Officer III |
| 5. Ms. Janice Naserian | -Research Officer III |
| 6. Ms. Keziah Muthama | -Fiscal Analyst III |
| 7. Mr. Jack Lemeteki | - Media Relations Officer |
| 8. Ms. Shirley Milimu | - Audio Officer III |
| 9. Ms. Sarah Rukwaro | - Serjeant at Arms |
| 10. Ms. Eva Muturi | -Intern |

MINUTE SEN/LENR/048/2024:

PRELIMINARIES

The Chair called the meeting to order at 9.10 am. This was followed by a word of prayer.

MINUTE SEN/LENR/049/2024:

ADOPTION OF AGENDA

The agenda was adopted after having been proposed by Sen. Agnes Kavindu Muthama, MP and seconded by Sen. Johnes Mwashushe Mwaruma, MP as follows-

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising;
5. **Consideration of the submissions received from the public on the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022);**
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MINUTE SEN/LENR/050/2024:

CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS

The Committee confirmed the following minutes as a true record of events as follows-

- i. Minutes of the eighth (8th) sitting held on Tuesday, 29th February, 2024 as proposed by Sen. Agnes Kavindu Muthama, MP and seconded by Sen. Johnes Mwaruma, MP respectively;
- ii. Minutes of the seventh (7th) sitting held on Sunday, 25th February, 2024 as proposed by Sen. Johnes Mwaruma, MP, and seconded by Sen. Mariam Sheikh Omar, MP respectively; and
- iii. Minutes of the sixth (6th) sitting held on Saturday, 24th February, 2024 as proposed by Sen. Beatrice Akinyi Ogola, MP and seconded by Sen. Agnes Kavindu Muthama, MP respectively.

MINUTE SEN/LENR/051/2024:

MATTERS ARISING

There were no matters arising.

MINUTE SEN/LENR/052/2024:

CONSIDERATION OF THE SUBMISSIONS RECEIVED FROM THE PUBLIC ON THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILL NO. 55 OF 2022) (Committee Paper 8)

The Legal counsel took the Committee through the public views matrix as submitted by the following stakeholders -

- i. Kilifi County Alliance (KCA)
- ii. Kenya Alliance of Residents Associations (KARA)
- iii. Council of County Governors (COG)
- iv. National Land Commission (NLC)
- v. Institution of Surveyors (ISK)

LONG TITLE

COG

Proposal

Delete the provision for the ‘National Rating Tribunal’ appearing in the Long Title and insert ‘Rating Tribunals’.

Committee Determination

The Committee did not adopt this proposal. The establishment of tribunals at the County levels is not necessary as the Bill already provides for the establishment of County Valuation Boards which may hear objections in the first instance before referral to the National Rating Tribunal.

CLAUSE 2

COG

Proposal

Under the definition of “Chief Government Valuer”, it is proposed that the definition be restricted to provide that the Chief Government Valuer means the principal advisor to the National Government on valuation.

Insert the definition of a “County Government Valuer” who will be the principal advisor to the county governments on valuation.

Inclusion of the Constitutional provisions and specifying the NLC roles which had been omitted.

Committee Determination

Committee rejected the above proposals as they are already provided for in Clause 22.

NLC

Proposal

Insert the definition of the word “**Commission**” to mean the National Land Commission.

Committee Determination

Committee adopted this proposal.

ISK

Proposal

Refine the definition of ‘contribution in lieu of rates’ to mean the amount of development finances extended to the county government, equivalent to the amount of rates payable in respect to the rating authority’s jurisdiction.

Committee Determination

Committee rejected this proposal as it is already included in the Bill.

Proposal

Revise the definition of ‘waiver’ to mean total or partial discharge from paying the overdue interest and penalties accrued on land rates.

Committee Determination

Committee rejected this proposal as it is already included in the Bill.

Proposal

Revise the definition of ‘county executive committee’ to mean the county executive member for the time being responsible for matters relating to valuation in the county, rather than to mean the county executive member for the time being responsible for matters relating to land.

Committee Determination

Committee rejected this proposal as it is inconsequential as advised.

Proposal

Amend the definition of ‘occupier’ to mean a person in actual occupation, provided that person has a right to occupy the property, rather than to mean a person in actual occupation, whether or not that person has a right to occupy the property.

Committee Determination

Committee noted there was need for further clarification in order to draw a clear distinction between a rateable owner and occupier.

Proposal

Amend the definition of ‘valuation roll’ to mean the roll prepared in accordance with legislation.

Committee Determination

Committee adopted the proposal.

CLAUSE 3

COG

Proposal

Amend Clause 3, subsection (1) by removing the objective in paragraph (c) concerning the Chief Government Valuer's task of collation of all valuation rolls prepared and deposited by any county governments. Replace it with a stipulation that the objectives of the Bill include provision for the role of each level of Government in respect to matters property valuation and rating.

Committee Determination

NLC

Proposal

Amend clause 3 to define the role of the National Land Commission pursuant to Article 67(2)(g) of the Constitution.

Committee Determination

Committee adopted this proposal.

ISK

Proposal

Proposed the deletion of the clause 3(1)(c) which provides for the role of the Chief Government valuer as part of the objectives of the Bill.

Committee Determination

CLAUSE 4

NLC

Proposal

The clause should be amended to require the county government to consult with the NLC when taking into account the effect of tax rates on public property held on behalf by the National Government on all public rateable property within the respective county.

Committee Determination

CLAUSE 5

COG

Proposal

Amend this clause to indicate that the Act shall apply to all rateable property within the respective county government except where exempted through county legislation.

Committee Determination

CLAUSE 6

ISK

Proposal

Amend this clause to indicate that there shall be a centralized body to formulate rules concerning appropriate technological systems.

Committee Determination

CLAUSE 8

COG

Proposal

Amend this clause to provide that a rateable owner includes a registered owner of a freehold title.

Committee Determination

CLAUSE 9

KCA

Proposal

There is need to clarify which method of valuation the Bill intends to adopt.

Committee Determination

Committee rejected this proposal and opted to retain provisions as provided for it the Bill.

COG

Proposal

Amend Clause 9(2) to include 'improved rating' as a form of rating that may be adopted by a county government.

Committee Determination

Committee rejected this proposal and opted to retain provisions as provided for it the Bill.

ISK

Proposal

Amend Clause 9(2)(d) to provide for capital value/ improved site value as a form of rating that may be applied by the County Government.

Committee Determination

Committee rejected this proposal and opted to retain provisions as provided for it the Bill.

CLAUSE 10

ISK

Proposal

Amend clause 10(2) to provide for publishing of the notice of rating on the official County social media accounts e.g., Twitter, Facebook.

Committee Determination

Committee rejected this proposal as it is already provided for in the Bill.

CLAUSE 12

ISK

Proposal

Delete this clause.

Committee Determination

Committee rejected this proposal as they were referring to the previous version of the Bill.

COG

Proposal

Amend Clause 12(3) to require the Cabinet Secretary to consult with the National Land Commission and the County Governments when prescribing guidelines on the royalties to be paid on natural resources, forestry land and products obtained from natural resources and forestry land for purposes of rating.

Committee Determination

Committee adopted this proposal.

CLAUSE 14

KCA

Proposal

The Bill should provide for a limit on the percentage which will be used to calculate the rates struck, which should be no greater than 4%.

Committee Determination

Committee noted there was need to create limitations, however, not more than the 4% prescribed on the current set legislation.

KARA

Proposal

The Bill must also state that it requires the CECM responsible for Finance to engage the public in public participation on the subject of the rate struck, which he/she intends to propose in the Finance Act. He/she must be required to obtain rate payers' support for the rate struck.

Committee Determination

The legal counsel to look at current trends then revert back to the Committee.

NLC

Proposal

The clause be amended by adding a sub-clause to provide that the amount of rates payable will remain the same for a period of not less than 10 years and be revised after such period other than setting the rates annually.

Committee Determination

The legal counsel to confirm and advise the Committee on the proposal during the next sitting.

CLAUSE 19

ISK

Proposal

It is proposed that this clause be amended sub-clause (3)(d) by specifying that the current market valuation should be done by an independent valuer in private practice and licensed to practice under the Valuers Act Cap 532.

Further, the clause be amended by inserting a provision that where the property is charged to a bank or mortgage lender, the bank or mortgage lender should also appoint a valuer. Further, the bank/lender to have a right to receive the funds realized from the sale of any such property before releasing the Title.

Committee Determination

Committee rejected this proposal as it is already provided for in the Bill.

CLAUSE 20

COG

Proposal

The Bill be amended in sub-clause (2) to provide that the County Governments in consultation with the National Land Commission shall make regulations through County legislation to prescribe for all public land that should be included in the valuation roll; all public land excluded from appearing on the roll and all public land exempted for purposes of appearing on the valuation roll.

Committee Determination

The Committee considered this proposal in view of Article 67 of the Constitution which provides that the functions of the National Land Commission include the management of public land on behalf of the national and county governments. Therefore, the provision as contained in the Bill aligns with the Constitution. However, in developing the regulations under clause 20, it is important that the National Land Commission consults not only with the Cabinet Secretary but also with the County Governments through the Council of Governors. As such, the clause may be amended to that extent.

Proposal

The Bill be amended in subclause (6) to provide that upon receipt of a claim for contribution in lieu of rates, the National Land Commission should evaluate the claim and submit it to the Cabinet Secretary, National Treasury for payment.

Committee Determination

Committee adopted this proposal.

NLC

Proposal

This clause should be amended to provide that any objections arising from determinations made on contribution in lieu of rates should be first heard by a committee appointed by the NLC, and where a person is aggrieved by the decision of the Committee, such matter can be referred to the Tribunal within the prescribed timelines.

Committee Determination

Committee adopted this proposal.

MINUTE SEN/LENR/053/2024

ANY OTHER BUSINESS

The Committee resolved to conduct a retreat in Naivasha, Nakuru County, from 2nd to 5th April, 2024 to complete the review of the public views matrix on the National Rating Bill, 2022 (National Assembly Bill No. 55 of 2022) as well as consider and adopt the report.

MINUTE SEN/LENR/054/2024

ADJOURNMENT AND DATE OF NEXT MEETING

The meeting was adjourned at 10:51 am. The date of the next meeting was to be called on notice.

Signed _____


Date 30.4.2024

SEN. JOHN MUHIA METHU, MP

CHAIRPERSON
STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL
RESOURCES

ANNEX II – PUBLIC ADVERT

REPUBLIC OF KENYA



THIRTEENTH PARLIAMENT | SECOND SESSION

THE SENATE

INVITATION FOR SUBMISSION OF MEMORANDA

THE NATIONAL RATING BILL, 2022 (NATIONAL ASSEMBLY BILLS NO. 55 OF 2022)

The National Rating Bill, 2022 (National Assembly Bills No. 55 of 2022) was read a First Time in the Senate on Thursday, 2nd November, 2023 and was thereafter committed to the Senate Standing Committee on Land, Environment and Natural Resources for consideration.

Pursuant to the provisions of Article 118 of the Constitution and standing order 145(5) of the Senate Standing Orders, the Committee now invites interested members of the public to submit any representations that they may have on the Bill, by way of written memoranda.

The memoranda may be submitted to the Clerk of the Senate, P. O. Box 41842-00100, Nairobi, hand-delivered to the Office of the Clerk of the Senate, Main Parliament Buildings, Nairobi or emailed to clerk.senate@parliament.go.ke and copied to landenvironcommittee.senate@parliament.go.ke, to be received on or before **Friday, 24th November, 2023 at 5.00 p.m.**

The Bill may be accessed on the Parliament website at <http://www.parliament.go.ke/the-senate/house-business/bills>.

J.M. NYEGENYE, CBS,
CLERK OF THE SENATE.

ANEX III – STAKEHOLDER SUBMISSIONS

Kara

The Kenya Alliance of Resident Associations

P.O Box 1411 – 00100 GPO Nairobi-Kenya
Tel: + 254 020 3874331
Cell: +254 725983445,
Cell: 254 733779585

Isiara Place (Hse No.12),
Kingara Close, off Kingara Road
Email: mail@kara.or.ke
Website: www.kara.or.ke

November 24, 2023

**Mr. Jeremiah Nyegenye, CBS
Clerk of the Senate
P.O Box 41842-00100
Parliamentary Service Commission
Parliament Buildings
NAIROBI**



GOVERNING COUNCIL

- Chairman:
R.S.Nyaga
- V/Chairperson:
E.Getambu (Dr)
- Secretary:
A.O.Osur
- Treasurer:
E.G. Kanake
- Members:
P. Herrmann
V.J.Majani
A.R.Namu
P.J. Oyier
N.G.Njee
C.Kioko
H.M.Ochieng'

Dear *Mr. Nyegenye*

**RE: MEMORANDUM ON THE NATIONAL RATING BILL, 2022
(NATIONAL ASSEMBLY BILLS NO. 55 OF 2022)**

Reference is made to your public participation notice on the National Rating Bill, (National Assembly Bills No. 55 of 2022). Herewith attached please find our memorandum on the subject matter for the Committee's consideration. We trust that the issues we have raised shall be given due consideration and will be reflected in the updated Bill.

We will be happy to make any clarifications that you may require.

Yours Sincerely,

[Signature]
Henry Ochieng
Chief Executive Officer

① DSEC
DHS
kindly deal.



Eg
27/11/2023

Celebrating



of
Promoting
Enhanced
Access to Public
Service Delivery

② D DSEC

Handwritten notes and signatures at the bottom of the page.

should be directly engaged through their leadership to provide input to draft Bills/legislations.

2. We also wish to note that various Counties are already in the process of developing County Rating and Valuation Bills. The National Government must require existing and new County legislation to conform with the National Rating Act. If the National Act merely offers non-binding guidelines, Counties will proceed with their own individual legislation leading to confusion and lack of public support.
3. The Bill should seek to facilitate stakeholders' participation and engagement on decisions on rating rather than deter the same. In this regard, requirements such as objection to rating decisions should not be charged. If there is a proper justification for a fee to be levied, then it should be nominal and affordable to majority property owners.

Contacts:

The Chief Executive Officer
The Kenya Alliance of Resident Associations (KARA)
P.O Box 1411 – 00100
NAIROBI.
Tel: 0725983445; 0203874331/3873828
Email: info@kara.or.ke



The Kenya Alliance of Resident Associations

MEMORANDUM TO THE SENATE STANDING COMMITTEE ON
LAND, ENVIRONMENT AND NATURAL RESOURCES

Submission on the National Rating Bill, 2022

Presentation by The Kenya Alliance of Resident Associations (KARA)

24th November 2023

Background

1. The Kenya Alliance of Resident Associations (KARA) supports development of the National Rating Bill to provide a framework for levying of rates on land and buildings by County governments.
2. We take note of the Senate's effort to reach out various stakeholders including KARA to give their views regarding the National Rating Bill, 2022.
3. The proposed Bill is a welcome move that will provide a uniform law to be used by the County administrations in imposition of rates on rateable property, and streamline collection of land rates.
4. We note that the process of public participation is well elaborated in the document in sections 1 (d). Engagement with property owners can be enhanced through existing structures such as Resident Associations.

Proposals for Consideration in the Bill:

Section	Proposed Amendment	Justification
Section 14. (1) 9	Section 14. (1) 9 provides for The County Executive Committee member responsible for finance to set up the rates struck in the Finance Act of the relevant financial year for consideration, approval and passing by the County Assembly.	This provision exposes the public to annual increments of the property and land rates. This creates uncertainty for businesses which in turn makes the Counties unattractive to investors.

	<p>We propose that a clause be added to Section 14 to provide that the amounts of rates payable will remain the same for a period of not less than 10 years and be revised after the said period other than them being set annually.</p>	
Section 26.(1)	<p>Section 26. (1) of the Bill explicitly states that “For the purposes of a valuation roll or supplementary valuation roll, the basis of valuation shall be the market value of a rateable property”</p> <p>We proposed that all values of land in the valuation roll be based on actual value and not the ambiguous market value.</p>	<p>The issue of market value is ambiguous as market value is based on sentiment and not the actual value of land or property.</p> <p>Market value of Land and property in Kenya is based on hoarding, speculation and the willingness of a buyer to be extorted by the seller. It is not based on any tangible facts. By creating laws that are based on such a "quick sand" foundation, there can only be catastrophic failure of the law.</p>
34 (2) Objections	<p>Section 34 (2) of the Bill explicitly states that “An objection shall be lodged in form 3 set out in the third schedule and shall be accompanied on the payment of a non-refundable objection fee of not less than ten thousand shillings and on the prescribed form”</p> <p>We propose for the reduction of the non-refundable fee paid for lodging an objection to valuations. The fee should either be abolished or be revised to Five Hundred Kenya shillings.</p>	<p>The high fees of ten thousand shillings will deter individuals who may be genuinely aggrieved but cannot afford the amount, from making an objection.</p>

General Comments:

1. On public participation, apart from the traditional channels of inviting the public to participate in decision making, community structures such as Resident Associations

Subject Public Participation on the National Rating Bill, 2022

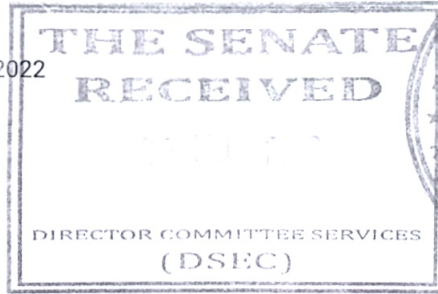
From mail@kara.or.ke <mail@kara.or.ke>

To clerk senate <clerk.senate@parliament.go.ke>

Cc

landenvironcommittee senate <landenvironcommittee.senate@parliament.go.ke>, skanini@kara.or.ke <skanini@kara.or.ke>, vamwoi@kara.or.ke <vamwoi@kara.or.ke>

Date Friday November 24, 2023 12:30:23 PM



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Mr. Jeremiah Nyegenye, CBS
Clerk of the Senate
P.O Box 41842-00100
Parliamentary Service Commission
Parliament Buildings
NAIROBI



① DSEC
DJ
Kindly deal
EP
24/11/2023

Dear Sir,

Please find attached our memorandum in regards to the National Rating Bill, (National Assembly Bills No. 55 of 2022). Kindly confirm receipt.

Regards,
Henry

Henry Ochieng | **Chief Executive Officer**

The Kenya Alliance of Resident Associations (KARA) – Together, We Will.

Isiara Place, Kingara Close, off Kingara Road, House No.12 | P.O Box 1411-00100 GPO, Nairobi.

Tel. 254-20-3874331 | Cellphone: 0725983445

Email: info@kara.or.ke | Website: www.kara.or.ke

Facebook: "The Kenya Alliance of Resident Associations" | Twitter: "@Kara_CaresKE"

Celebrating 23 years of promoting effectiveness, efficiency and sustainability in service delivery as well as involvement of Resident Associations in decision making processes in Kenya.

Attachments

Memorandum on the National Rating Bill 2022.pdf (116 kB)

② DPSEC
Kindly deal
27/11/2023

③ lead clerk - Lands Committee
Kindly deal.
27/11/23
MKB BRH



The Kenya Alliance of Resident Associations

MEMORANDUM TO THE SENATE STANDING COMMITTEE ON
LAND, ENVIRONMENT AND NATURAL RESOURCES

Submission on the National Rating Bill, 2022

Presentation by The Kenya Alliance of Resident Associations (KARA)

24th November 2023

Background

1. The Kenya Alliance of Resident Associations (KARA) supports development of the National Rating Bill to provide a framework for levying of rates on land and buildings by County governments.
2. We take note of the Senate's effort to reach out various stakeholders including KARA to give their views regarding the National Rating Bill, 2022.
3. The proposed Bill is a welcome move that will provide a uniform law to be used by the County administrations in imposition of rates on rateable property, and streamline collection of land rates.
4. We note that the process of public participation is well elaborated in the document in sections 1 (d). Engagement with property owners can be enhanced through existing structures such as Resident Associations.

Proposals for Consideration in the Bill:

Section	Proposed Amendment	Justification
Section 14. (1) 9	Section 14. (1) 9 provides for The County Executive Committee member responsible for finance to set up the rates struck in the Finance Act of the relevant financial year for consideration, approval and passing by the County Assembly.	This provision exposes the public to annual increments of the property and land rates. This creates uncertainty for businesses which in turn makes the Counties unattractive to investors.

	<p>We propose that a clause be added to Section 14 to provide that the amounts of rates payable will remain the same for a period of not less than 10 years and be revised after the said period other than them being set annually.</p>	
Section 26.(1)	<p>Section 26. (1) of the Bill explicitly states that “For the purposes of a valuation roll or supplementary valuation roll, the basis of valuation shall be the market value of a rateable property”</p> <p>We proposed that all values of land in the valuation roll be based on actual value and not the ambiguous market value.</p>	<p>The issue of market value is ambiguous as market value is based on sentiment and not the actual value of land or property.</p> <p>Market value of Land and property in Kenya is based on hoarding, speculation and the willingness of a buyer to be extorted by the seller. It is not based on any tangible facts. By creating laws that are based on such a "quick sand" foundation, there can only be catastrophic failure of the law.</p>
34 (2) Objections	<p>Section 34 (2) of the Bill explicitly states that “An objection shall be lodged in form 3 set out in the third schedule and shall be accompanied on the payment of a non-refundable objection fee of not less than ten thousand shillings and on the prescribed form”</p> <p>We propose for the reduction of the non-refundable fee paid for lodging an objection to valuations. The fee should either be abolished or be revised to Five Hundred Kenya shillings.</p>	<p>The high fees of ten thousand shillings will deter individuals who may be genuinely aggrieved but cannot afford the amount, from making an objection.</p>

General Comments:

1. On public participation, apart from the traditional channels of inviting the public to participate in decision making, community structures such as Resident Associations

should be directly engaged through their leadership to provide input to draft Bills/legislations.

2. We also wish to note that various Counties are already in the process of developing County Rating and Valuation Bills. The National Government must require existing and new County legislation to conform with the National Rating Act. If the National Act merely offers non-binding guidelines, Counties will proceed with their own individual legislation leading to confusion and lack of public support.
3. The Bill should seek to facilitate stakeholders' participation and engagement on decisions on rating rather than deter the same. In this regard, requirements such as objection to rating decisions should not be charged. If there is a proper justification for a fee to be levied, then it should be nominal and affordable to majority property owners.

Contacts:

The Chief Executive Officer
The Kenya Alliance of Resident Associations (KARA)
P.O Box 1411 – 00100
NAIROBI.
Tel: 0725983445; 0203874331/3873828
Email: info@kara.or.ke

THE SENATE
FORWARDED
24 NOV 2023

KILIFI COUNTY ALLIANCE



To: Clerk of the Senate, J. M. Nyegenye CBS
P.O. Box 41842 - 00100, Nairobi.
clerk.senate@parliament.go.ke

cc landenvironcommittee.senate@parliament.go.ke

Hon. John Ngala, CECM Finance and Economic Development, Kilifi County
grngala@gmail.com

From: The Chairman, Kilifi County Alliance, P. R. Nightingale
chairman@kca.co.ke

① DSEC
DHY

20th. November 2023

Kindly deal
EP

Memorandum from the Kilifi County Alliance (KCA) in response to the call from the Senate for submissions from the public on the The National Rating Bill 2022 (Bill No. 55 of 2022)

27/11/2023

Dear Sir,

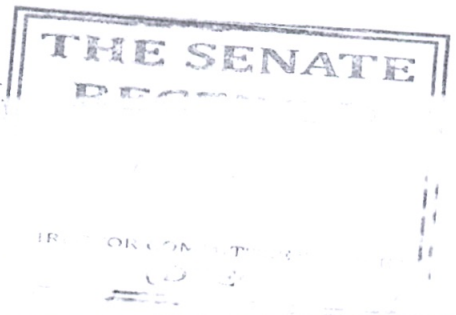
② DDSEC
Kindly deal
27/11/2023

I submit this memorandum to you on behalf of the Members and the Board of Directors of the Kilifi County Alliance. The Kilifi County Alliance (KCA) is a registered NGO and a leading Registered Neighborhood Association representing residents, ratepayers and companies in Kilifi County. For your reference and information I attach an overview of the Alliance.

The current property rating system in Kilifi County has no legal basis. Only a minority of property owners in the County are charged and pay rates. The valuation rolls upon which these rates are calculated are pre-devolution and long out of date and have never been updated. In April 2019 the Kilifi County Government published a new Draft Valuation Roll, but this proved to be highly defective. It was challenged by ratepayers in the Malindi Court resulting in a judgment in September 2021, which quashed the Draft Valuation Roll stopping its certification and operationalization and requiring the Kilifi County Government to develop a Valuation Roll that is accurate and complete. To date the Kilifi County Government has not done this, and consequently, it has no legal basis upon which to alter the County's current rating system.

KCA has worked with the Kilifi County Government to rectify this situation, but no progress has been made. KCA has advocated that there should be a uniform rating regulation throughout the

Handwritten note: *Hand Clerk - Lands Committee*



whole country and that the rating system across all Counties should be harmonized. KCA therefore welcomes the introduction of the National Rating Bill.

KCA is pleased to note that the National Rating Bill will provide for " a uniform legislative framework and mechanisms on how County Governments shall undertake valuation for rating and rating " (ref page 9, section 3), that it will " ensure fair and equal treatment to all rateable owners " (ref page 10 section 4) and that " the Act shall apply to all rateable property within the respective County Government " (ref page 10 section 5).

Bearing in mind the provisions of the Bill as stated above, KCA respectfully draws the attention of the Senate to the following provisions in the Bill, which it believes require clarification, correction or alteration for the Bill to achieve its stated objectives:

1) On page 12 section 9 the Bill provides for a County Government to " adopt any of the following forms of rating for the purpose of levying property rates (annual rental value, area rating, unimproved site value, site value rating in combination with an improvement rating) ". But on page 23 section 26 the Bill states " For the purposes of a valuation roll or a supplementary valuation roll, the basis of valuation shall be the market value of a rateable property " .

These provisions are contradictory. Which method of valuation does the Bill intend? **The Senate needs to clarify this matter..**

2) On page 15 section 14 the Bill provides that " The County Executive Member (CECM) responsible for Finance shall set up the rates struck in the Finance Act of the relevant year for passing by the County Assembly " .

The Bill makes no provision for a limit on the percentage, which will be used to calculate the rates struck. Current legislation sets the upper limit at 4% of the value of a property listed in the valuation roll. **The Bill must provide for a limit no greater than 4%.**

The Bill must also state that it requires the CECM responsible for Finance to engage the public in public participation on the subject of the rate struck, which he/she intends to propose in the Finance Act. He/she must be required to obtain rate payers' support for the rate struck.

3) On page 23 section 29 the Bill states that " a County Government shall cause a preparation of a valuation roll to be undertaken every 5 years ". A period of 5 years is not practical given the volume of work and the cost of undertaking a valuation roll and the fact that county government terms are only 5 years. To KCA's knowledge the current period of 10 years is rarely if ever met. **The Bill should provide that a valuation roll should continue for at least a 10 year period provided that supplementary valuation rolls are required in the intervening years.**

4) On page 27 section 34 the Bill states that an objection by a rate payer to the valuation roll shall be lodged " with the CECM on the payment of a non-refundable objection fee of Kshs. 10,000/- ". This high fee will prohibit genuine objections from ordinary rate payers. It is not acceptable. There should be no charge for lodging objections to the valuation roll. [In 2019, when the Kilifi County Government published its new valuation roll it was so defective that hundreds of ratepayers lodged objections. The County Government attempted to charge Kshs.1,000/- per objection but withdrew the charge completely following representations from KCA .] **The Bill must be altered to guarantee that objections by ratepayers to a valuation roll will be free of charge.**

5) Also on page 27 section 34 the Bill requires that an objector to a valuation roll should first " file a notice of intention to lodge an objection ". This is an unnecessary and burdensome piece of administration. Objections should be filed directly to the body, which will adjudicate the objection. **The requirement to lodge this " notice of intention " must be deleted from the Bill.**

6) On pages 27 and 28 also section 34 the Bill states that a rate payer's objection to a valuation roll should be submitted to the County's CECM responsible for Lands, who may pass the objection on to the valuer who " undertook the preparation of the draft valuation roll or draft supplementary valuation roll " for adjudication. It is not appropriate for those who prepared and published the valuation roll to act as the adjudicator of objections to the roll they produced. **All objections to a valuation role must be adjudicated by an independent party.**

Further to the above, also on page 28 section 34, the Bill states that a County Government " may constitute a County Valuation Board to hear and determine objections to valuation or supplementary valuation rolls ". This is the practical and most cost effective method of providing the necessarily independent body to hear and determine rate payers' objections to valuation rolls. **The Bill must make it mandatory for a County Government to constitute a completely independent County Valuation Board with the authority to hear and determine objections to valuation rolls in the County.**

7) Subject to the Bill making it mandatory that a County Valuation Board be constituted (as above), clause 35 (1) on page 28 should be altered (as shown in bold type) to read " Where upon expiration of the period of 45 days specified in section 34, no objection has been received, **or where all objections have been determined by the County Valuation Board, or in cases, which the Board has been unable to determine and which have therefore been passed to the Tribunal,** the CECM shall endorse upon the draft valuation roll or supplementary draft valuation roll and sign a certificate to that effect " .

KCA notes that, in the event of a draft valuation roll being certified by the CECM, and the rate struck being decided and approved by the County Assembly, the Bill makes no provision for ratepayers to be informed what rates they will then be liable to pay. **The Bill must make it mandatory for County Governments to send official rate demands to every ratepayer in the county.**

8) On page 40 in section 57 clause 1 the Bill states “ Any existing valuation rolls prepared before the commencement of this Act shall be deemed to have been prepared under this Act “. In the case of Kilifi County, this is a meaningless provision. **The outdated valuation rolls underpinning the rates, which are charged in Kilifi County, meet none of the requirements of the Act and cannot legally be used for changing the rates currently charged or for creating new rates.** Furthermore, the valuation roll, which the County Government attempted to introduce in 2019, has been quashed by the court judgment of 2021. To all intents and purposes it does not exist. **It will set a dangerous precedent and will be wrong for the Bill to legitimize, even for a limited period, outdated valuation rolls, which are illegal and unfit for purpose. The Senate should not permit the Bill to provide for this.**

The only alternative open to Kilifi County Government, and to other Counties with unsound valuation rolls, is to fulfil the requirement of section 57 clause 2 of the Bill which states “ where existing valuation rolls do not conform with the provisions of the Act, the County Government shall within 24 months of the commencement of this Act bring them into conformity “.

KCA agrees that to bring the County’s valuation roll into conformity with the provisions of the Act is the only way to reform the County’s rating system legally and in a way acceptable to ratepayers. However KCA respectfully requests the Senate to consider whether this can be done within 24 months of the commencement of the Act? To conform with the provisions of the Act will require a new and comprehensive valuation roll for which adequate funding, a realistic timeframe and appropriate expertise must be allowed. **How does the Senate expect Kilifi County, and other Counties, to comply with this provision of the Bill?**

On behalf of the Kilifi County Alliance, I should be grateful to receive the Senate’s response to the issues raised in this memorandum.

Yours faithfully,

Peter Nightingale
Chairman,
Kilifi County Alliance

Kilifi County Alliance (KCA)

Overview

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KILIFI COUNTY ALLIANCE

What is KCA?

A membership based Non-Governmental Organization that champions good governance in Kilifi County.

Registration

KCA is registered by the NGOs Co-ordination Board, Registration number OP.218/051/15-326/10155

Geographical Area of Operation

Kilifi County

Vision

A Kilifi County in which all Stakeholders are accorded equitable participatory opportunities in the decision-making mechanisms of the County.

Objective

The main objective of the Alliance is to promote good governance in the county

How do we do this?

By engaging both National and County Government on behalf of our members on Policy and Legislation.

Membership

KCA membership is in three Categories:

1. Registered Community Groups
2. Corporations
3. Honorary Members

These members pay an annual subscription amount that sustains all the Alliance's operations.

Our current membership comprises Residents Associations and Corporates from: Marereni, Malindi, Watamu, Kilifi, Vipingo, Kuruwitu, Vipingo Ridge, Mtwapa, Kaloleni and Mariakani.

Leadership

KCA's decision making body is a Board of 11 members that is elected during an AGM to hold office for a three-year term. Our current officials are:

Chairman: Mr. Peter Nightingale
Vice chairman: Hon. John Safari Mumba
Secretary: Mr. Damian Davies
Treasurer: Mr. John Kombe

Daily Operations

This is run by a Secretariat headed by an Executive Officer. Our office is located in Mnarani at Kilifi Plantations.

The Secretariat ensures that Board decisions are implemented and that KCA meets statutory operation requirements.

Activities

1. We support the capacity of members to appreciate and engage with government processes e.g. legislation, policy, budgeting, planning etc.
2. We provide members with timely information to allow them to participate in various government processes and meetings e.g. Planning, Budgeting, Legislation, etc.
3. We organize and facilitate various meetings between Government Officials and Members.
4. We take steps to encourage accountability and transparency by government in Kilifi County.
5. We take steps to obtain Member representation in various public statutory bodies.

Future Plans

To continue engagement with both National Government and County Government of Kilifi in order to represent the interests of members in, for example, the following areas: -

1. Development of contentious Energy Programs such as Nuclear, Fossils (Coal), etc.
2. Economic Policies and Investment Infrastructure
3. Land and planning
4. County revenue raising

To contact KCA call or email KCA Executive Officer, Abraham Gitari at:

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COUNCIL OF GOVERNORS

COUNCIL OF GOVERNORS MEMORANDUM ON THE NATIONAL RATING BILL 2022

Background

The National Rating Bill is a much-needed piece of legislation that will undoubtedly support county governments in their attempts to mobilize more effectively revenue from property rates.

The bill is part of the implementation of the *National Policy to Support the enhancement of County Governments' Own Source Revenue*

Key Issues with the Bill

- The bill establishes the office of the Chief Government Valuer at the National Level and assigns that office the responsibility of reviewing all the valuation rolls prepared. This role is not envisaged in the Constitution of Kenya 2010 since the role of National Government is ~~the to~~ to develop national policies, norms and standards while the County Governments implement these national policies, norms and standards. CoGs proposal that counties should prepare and approve the valuation rolls while adhering to the national standards.
- The bill obligates National Land Commission in consultation with the cabinet secretary lands to make regulations for all public land that should be included in the valuation rolls, all public land excluded from appearing on the valuation roll for rating purposes and all public land exempted for purposes of appearing on the valuation roll. It is our considered view that these regulations should be developed within the intergovernmental framework provided within the intergovernmental relations act 2012 where there is consensus between the two levels of government as proposed in ^{our} the CoGs memo. This is because NLC manages public land on behalf of National and County Governments.
- The bill obligates the rating authority to lodge a claim on the contribution in lieu of rates annually who shall recommend to the Cabinet Secretary Ministry of Lands to further review before submission to the Cabinet Secretary, National Treasury. (It is the view of the Council of ^{of houses} that submitting the claims to the ministry of lands offends the principle of separation of powers between the County, the commission and the National Government through the Ministry of Lands.)
- The bill states that land that is exclusively used for public purposes shall be exempt from rates. It is the view of the Council that this should not be legislated on pending the development the regulations through the intergovernmental process.
- The Council recommended ~~ed~~ the inclusion of County level institutions including a dispute resolution institution (The County Rating Tribunal). Most of the disputes during the process of preparation of the valuation rolls will be local and will require a local dispute resolution mechanism. Subjecting all the disputes to the national tribunal will cripple the process of preparation and approval of valuation rolls. ^{and kill the urgent need to use valuation}

*not all counties access independent professional valuers
Revenue*

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
<p>Title of the bill</p>	<p>AN ACT of Parliament to provide a comprehensive framework for imposition of rates on land and buildings by county governments; to provide for the valuation of rateable property; to provide for the appointment and powers of valuers; to provide for the establishment, powers and functions of the National Rating Tribunal and for connected purposes</p>	<p>AN ACT of Parliament to provide a comprehensive framework for imposition of rates on land and buildings by county governments; to provide for the valuation of rateable property; to provide for the appointment and powers of valuers; to provide for the establishment, powers and functions of the Rating Tribunals and for connected purposes</p>	<p>To align to the provisions of the Constitution</p>
<p>Definition of terms</p>	<p>“Chief Government Valuer” means the principal advisor to the National Government and county governments on valuation;</p>	<p>“Chief Government Valuer” means the principal advisor to the National Government on valuation;</p>	<p>To separate the functions of National and County Governments</p>
		<p>“County Government Valuer” means the principal advisor to the County Governments on valuation;</p>	<p>County Governments under article 209 has an obligation to undertake property valuation and therefore need the competence on property valuation to advise the County</p>
<p>Clause 3</p>	<p>3. (1) The objects and purpose of this Act are to — (a) give effect to Articles 190(1) and 209 (3)(a) of the Constitution by providing — (i) for a uniform legislative framework; and (ii) mechanisms on how the county governments shall</p>	<p>3. (1) The objects and purpose of this Act are to — (a) give effect to Articles 190(1) and 209 (3) (a) of the Constitution by providing — (i) for a uniform legislative framework; and (ii) mechanisms on how the county governments</p>	<p>The bill should properly delineate to functions of each level of Government. With property rating and taxation being County Government function the National Government should be left with the responsibility</p>

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
	<p>undertake valuation for rating and imposition of rates on rateable property;</p> <p>(b) enhance use of appropriate technology in undertaking valuation for rating and rating related purposes;</p> <p>(c) provide for the role of the Chief Government Valuer in respect to collation of all valuation rolls prepared and deposited by any county government.</p>	<p>shall undertake valuation for rating and imposition of rates on rateable property;</p> <p>(b) enhance use of appropriate technology in undertaking valuation for rating and rating related purposes;</p> <p>(c) to provide for the role of each level of Government in respect to matters property valuation and rating;</p>	<p>of formulating policies and developing standards for property rating and taxation.</p>
<p>Clause 5</p>	<p>5. This Act shall apply to all rateable property within the respective county government except freehold agricultural land.</p>	<p>5. This Act shall apply to all rateable property within the respective county government except where exempted through ^{COUNTY} legislation</p>	<p>All land within the County is ratable save for the exemptions that will be provided for under the regulations</p>
<p>Clause 8</p>	<p>8. (1) For the purposes of this Act, a rateable owner means –</p> <p>(a) in relation to property in land, a person who holds leasehold where the unexpired residue of the term is not less than twenty-one years and there is an intention to confer ownership;</p> <p>(b) in relation to an interest in the rateable property registered in favor of another, means the name of the person registered against that interest;</p> <p>(c) in case of succession, the executor, executrix or appointed administrator in accordance to the Law of Succession Act;</p> <p>(d) in the case of the trust property, the appointed and registered trustees</p>	<p>8. (1) For the purposes of this Act, a rateable owner means –</p> <p>(a) in relation to property in land, a person who holds leasehold where the unexpired residue of the term is not less than twenty-one years and there is an intention to confer ownership;</p> <p>(b) in relation to an interest in the rateable property registered in favor of another, means the name of the person registered against that interest;</p> <p>(c) in case of succession, the executor, executrix or appointed administrator in accordance to the Law of Succession Act;</p> <p>(d) in the case of the trust property, the appointed and registered trustees</p>	

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
	including the public trustee in accordance to the Trustees Act, Trustees (Perpetual succession) Act, or the Public Trustees Act;	including the public trustee in accordance to the Trustees Act, Trustees (Perpetual succession) Act, or the Public Trustees Act;	
	(e) in case of bankruptcy or insolvency, the person appointed as administrator or liquidator in accordance with the Insolvency Act, 2015; (f) in relation to sectional properties, a holder of a sectional property under the Sectional Properties Act, 2020; (g) an occupier of the rateable property; or (h) a beneficial owner who is receiving profits and rent from the rateable property;	(e) in case of bankruptcy or insolvency, the person appointed as administrator or liquidator in accordance with the Insolvency Act, 2015; (f) in relation to sectional properties, a holder of a sectional property under the Sectional Properties Act, 2020; (g) an occupier of the rateable property; or (h) a beneficial owner who is receiving profits and rent from the rateable property; (i) a registered owner of a freehold title	
Clause 9 (2)	(2) A county government may, adopt any of the following forms of rating for purposes of levying property rates— (a) annual rental value rating; (b) area rating; (c) unimproved site value rating; (d) a site value rating in combination with an improvement rating.	(2) A county government may, adopt any of the following forms of rating for purposes of levying property rates— (a) annual rental value rating; (b) area rating; (c) unimproved site value rating; (d) Improved rating (e) a site value rating in combination with an improvement rating.	
Cause 12 (3)	(3) The Cabinet Secretary may, in consultation with the National Land Commission, prescribe guidelines on the royalties to be paid on natural resources, forestry land and	(3) The Cabinet Secretary may, in consultation with the National Land Commission and the County Governments, prescribe guidelines on the royalties to be paid on natural resources, forestry land	County Governments ought to be consulted in the preparation of the guidelines in the spirit of Article 6 (2) which obligates the two

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
	products obtained from natural resources and forestry land for purposes of rating.	and products obtained from natural resources and forestry land for purposes of rating.	levels of Government consult and cooperate.
Clause 20 (2)	(2) The National Land Commission shall, in consultation with the Cabinet Secretary, make Regulations to prescribe for— (a) all public land that should be included in the valuation roll; (b) all public land excluded from appearing on the valuation roll for rating purposes; and (c) all public land exempted for purposes of appearing on the valuation roll.	(2) The County Governments in consultation with the National Land Commission shall, make Regulations through a County Legislation to prescribe for— (a) all public land that should be included in the valuation roll; (b) all public land excluded from appearing on the valuation roll for rating purposes; and (c) all public land exempted for purposes of appearing on the valuation roll.	County Governments are unique and they have County Assemblies to prepare legislations to address their uniqueness. The fact that this bill anticipates a County Legislation, this issue can best be addressed in the County Legislation with adhering to the National Standard.
Clause 20 (6)	(6) The National Land Commission shall upon receipt of a claim under this section evaluate the claim and recommend to the Cabinet Secretary Ministry of Lands to further review before submission to the Cabinet Secretary, National Treasury for the rates due to be paid accordingly.	(6) The National Land Commission shall upon receipt of a claim under this section evaluate the claim and submit to the Cabinet Secretary, National Treasury for the rates due to be paid accordingly.	The National Land Commission is the manager of public on behalf of both levels of Government and therefore the final authority on the evaluation of the claims submitted. Submitting to claims to the ministry of lands offends the principle of separation of powers between the County, the commission and the National Government through the Ministry of Lands.

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
<p>Clause 25</p>	<p>25. (1) The Chief Government Valuer may upon request by a county government cause a valuation to be undertaken for the respective county government.</p> <p>(2) The Chief Government Valuer shall from time to time develop guidelines with respect to standardization and harmonization on preparation and implementation of valuation rolls.</p> <p>(3) The Chief Government Valuer shall upon request by any person, advise on preparation of valuation rolls for rating areas.</p> <p>(4) The Chief Government Valuer shall maintain a depository and record of all valuations rolls prepared by each county government.</p>	<p>Amend the marginal note to read: Responsibilities of the National Government</p> <p>25. (1) Develop guidelines with respect to standardization and harmonization on preparation and implementation of valuation rolls.</p> <p>(2) Regulate the profession</p> <p>(3) Capacity build the County Governments on matters rating and valuation</p>	<p>In matters property valuation, the National Government is restricted to formulation of policy, standards and capacity building of County Governments</p>
		<p>Add a clause to provide for the responsibilities of the County Governments to include preparation and approval of valuation rolls</p>	<p>This is a function of County Governments assigned by Article 209 of the Constitution</p>
<p>Clause 32 (3)</p>	<p>(3) The County Executive Committee Member shall forward a copy of the draft valuation roll or draft</p>	<p>Delete the clause</p>	<p>Preparation and approval of the valuation roll is a county function. The process of</p>

CLAUSE	PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
	<p>supplementary valuation rolls to the Chief Government Valuer for purposes.</p>		<p>preparation of the valuation roll undergoes public participation where the National Government participates and can provide their input.</p>
<p>Clause 32 (4)</p>	<p>(4) The Chief Government Valuer shall submit a written report to the County Executive Committee Member within thirty days of the receipt of the draft valuation roll or draft supplementary valuation roll.</p>	<p>Delete the clause</p>	<p>Preparation and approval of the valuation roll is a county function. The process of preparation of the valuation roll undergoes public participation where the National Government participates and can provide their input.</p>
<p>Clause 36</p>	<p>36.(1) For purposes of this section— “public purposes” has the meaning assigned by section 2 of the Land Act, 2012. (2) A County Executive Committee member shall not charge rates for land that is used exclusively for public purposes. (3) Valuation for purposes of rating shall not be conducted with respect to any land that is used for purposes of — (a) public religious worship; or (b) cemeteries, crematoria, burial grounds or grounds for burning of the dead;</p>	<p>Delete the entire section</p>	<p>This will be addressed in the regulations developed under section 20 (2) which shall be a consultative process between the commission, ministry of lands and the County Governments.</p>

CLAUSE		PROVISION IN THE BILL	PROPOSED AMENDMENT	JUSTIFICATION
		(c) public health facilities; (d) public educational institutions and libraries; (e) dams; (f) way leaves; (g) museums and national monuments; or (h) public outdoor sports.		
Clause 37		Establishment of the National Rating Tribunal.	Consider establishment of these tribunals at the County Level	<p>This tribunal will hear and determine all matters relating to valuation or rating referred to it under this Act</p> <p>or any other written law is going to be a significant task for the Tribunal. Many objections could be considered as low impact and could be dealt with expeditiously by the valuer or an institution (tribunal) established at the County Level. The National Rating Tribunal could become involved where the value of the property is high (over a prescribed limit) or it involves a property of significant national interest.</p>

2018

World Bank Study on Mapping Revenue in Kenya.

Adam Smith International



NATIONAL LAND COMMISSION



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Website: www.landcommission.go.ke

J.M. Nyengenyé, CBS
Clerk of the Senate
NAIROBI

RESPONSE TO SENATE STANDING COMMITTEE ON LAND, ENVIRONMENT AND NATURAL RESOURCES

Honourable Chair,

Pursuant to a letter Ref. SEN/DSEC/DPEAC/LENR/2024 (2) (8) dated 16th February, 2024 which invited the Chairperson, National Land Commission to make submission on National Rating Bill 2022 (National Assembly Bills No. 55 of 2022 which underwent a 1st reading in Senate on 2nd November, 2023.

Background information

The National Land Commission (NLC) is an Independent Constitutional Commission established under Article 67 of the Constitution of Kenya, 2010. It was operationalized through Acts of Parliament that gave effect to Article 67 of the Constitution, namely; the National Land Commission Act, 2012; the Land Act, 2012 and the Land Registration Act, 2012, to carry out its mandate as outlined both in the Constitution and in the aforementioned legislations. The Commission is not subject to direction or control by any person or authority; it is subject only to the Constitution and the law as stated in Article 249 (2) of the Constitution of Kenya.

Mandate

National Land Commission derives its mandate from the Constitution of Kenya 2010, the National Land Policy (2009) and Acts of Parliament, namely the National Land Commission (NLC) Act, the Land Act and the Land Registration Act, all of 2012. The broad mandate of the National Land Commission can be categorized as provided for in the Constitution:

1. Manage Public land on behalf of the National and County governments, 67(2) a;
2. Recommend a National Land Policy to the National government, 67(2) b;
3. Advise the National government on a comprehensive program for the registration of title in land throughout Kenya, 67(2) c;
4. Conduct research related to land and the use of natural resources, and make recommendations to appropriate authorities, 67(2) d;
5. Initiate investigations, on its own initiative or on a complaint, into present or historical land injustices, and recommend appropriate redress, 67(2) e;
6. Encourage the application of traditional dispute resolution mechanisms in land conflicts, 67(2) f;
7. Assess tax on land and premiums on immovable property in any area designated by law, 67(2) f;
8. Monitor and have oversight responsibilities over Land Use Planning throughout the country, 67(2) h; and
9. Perform any other functions prescribed by national legislation. 6(3)

Powers and functions

In line with the National Land Commission Act 2012 Revised Edition 2016 [2015], the Commission is obligated to exercise all the powers necessary for the execution of its functions under the Constitution, the National Land Commission Act 2012 and any other written law. This translates into exercising its powers in a variety of ways like:

1. Without prejudice to the generality of subsection (1), the Commission shall have powers to;
 - Gather, by such means as it considers appropriate, any relevant information including requisition of reports, records, documents or any information from any source, including any State organ, and to compel the production of such information where it considers necessary;
 - Hold inquiries for the purposes of performing its functions under the National Land Commission Act;
 - Take any measures it considers necessary to ensure compliance with the principles of land policy set out in Article 60 (1) of the Constitution as

depicted in box 1 below. These principles continue to guide the work of the Commission.

X Relationship between the National Land Commission and the County Governments X

In line with the National Land Commission Act 2012 Revised Edition 2016 [2015], in carrying out its functions, the Commission shall work in consultation and co-operation with the national and county governments subject to Article 10 and Article 232 of the Constitution.

Further the National Land Commission is mandated to Manage Public land on behalf of the National and County governments as per Article 67(2) (a) of the Constitution of Kenya.

Role of the National Land Commission in matters related to tax on land

Pursuant to Article 67 (2) (g) of the Constitution, the National Land Commission is mandated with the function of assessing tax on land and premiums on immovable property in any area designated by law.

Please find the following comments and recommendations for the above subject for your attention;

PART	NO.	READING	COMMENTS	RECOMMENDATIONS	JUSTIFICATION
I	2. Interpretation/Definition	Omitted	This section has not captured the interpretation/ definition of the National Land Commission	Insert "Commission" to mean "The National Land Commission" as established by Article 67 of the Constitution;	To correct omission of NLC.
I	3. Purpose and objects of the Act	3. (1) The objects and purpose of this Act are to- (a) give effects to Articles 190 (1) and 209(3) of the Constitution by providing (i) for a uniform legislative framework; and (ii) mechanisms on how the county governments shall undertake for rating and imposition of rates on ratable property (b) enhance use of appropriate technology in undertaking valuation for rating and rating related purposes; (c) provide for the role of the Chief Government in respect to collation of all valuation rolls prepared and deposited by any county government	This section has not defined the role of the National Land Commission pursuant to Article 67 (2) (g) of the Constitution	3. (1) The objects and purpose of this Act are to- n (a) give effects to Articles 190 (1), 209(3) & (Insert) "67 (2) (g)" of the Constitution by providing for a uniform legislative framework; (b) provide the role of the National Land Commission to assess tax on land and premium on immovable property on any area designated by law pursuant to Article 67 (2) (g) of the Constitution; (c) National Land Commission to provide guidelines and regulations for assessment of property rates on land pursuant to Article 67 (2) (g) of the Constitution, the National	Inclusion of constitutional provision and NLC Roles specifically previously omitted.

				Land Act Section (5) (g) & (17) and the County Government Act (118), (d) enhance use of appropriate technology in undertaking valuation for rating and rating related purposes;	
(4)(2)(h) Guiding principles	(h) taking into account the effect of tax rates on public property held on behalf by the National Government on all public ratable property within the respective county; and	This section fails to recognize the role of the National Land Commission in management and administration of public land on behalf of county and national governments pursuant to Article 67 (2) (a) of the Constitution	(h) take into account the effect of tax rates on public property held on behalf by the National Government on all public ratable property within the respective county in consultation with the National Land Commission pursuant to Article 67 (2) (a) of the Constitution”; and		
12(4) Annual rental value rating	The Cabinet Secretary may make regulations for the effective implementation of this section	This section also fails to recognize the role of the National Land Commission in assessment of tax on lands and premiums on immovable	The Cabinet Secretary in consultation with the National Land Commission shall, make regulations for the effective implementation of this section.	To provide for consultation and collaboration of Government Agencies	

			<p>properties pursuant to Act 67 (2) (g) of the Constitution</p> <p>Additionally, The National Land Commission is directly involved in assessment for Annual Rental Value during alienation and lease renewals</p>		
	20. Contribution in lieu of rates	<p>20. (1) Where any land for which rates are due is public land held by a National Government entity and is located within the jurisdiction of any county government, the county government shall for purposes of assessing the contribution in lieu of rates payable to the county government in respect of that parcel of land, cause the valuer to either prepare a draft valuation roll, assess the rental value rate or any other form of rating on the</p>		<p>Insert in 20(2)</p> <p>d)The objections will be heard by the Committee appointed by the National Land Commission.</p> <p>e)When a person is aggrieved by the decision of the Committee can refer the matter to the Tribunal within the prescribed timelines.</p>	<p>To provide structural and Administrative clarity in dispute resolution before the Tribunal</p>

		rateable property in the area of the county government.			
		<p>(2) The National Land Commission shall, in consultation with the Cabinet Secretary, make regulations to prescribe for</p> <ul style="list-style-type: none"> a) All public land that should be included in the valuation roll; b) All public land excluded from appearing on the valuation roll for rating purposes; and c) All public land exempted for purposes of appearing on the valuation roll 			
		<p>(3) The National Government entity responsible for the payments of rates which may be due in respect of any public land held by the National Government shall remit to the county government, an annual contribution in lieu of rates levied under this</p>			

		<p>Act for each and every financial year.</p> <p>(4) For the purpose of claiming rates under this section, the county government shall in three months before the rates fall due, lodge a claim to the National Treasury through the National land Commission as contribution in lieu of rates.</p> <p>(5) A claim for rates under this section shall be in Form. 2 set out in the second schedule and may be accompanied by an introductory letter and any other relevant documentation.</p> <p>(6) The National Land Commission shall upon receipt of a claim under this section evaluate the claim and recommend to the Cabinet Secretary Ministry of Lands to further review before submission to the cabinet secretary, National</p>			
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	Treasury for rates due to be paid accordingly.			
Proposal for the section to be divided into 25(a) and 25(b) as follows				
25(a)Responsibilities of Chief Government Valuer	<p>25. (1) The Chief Government Valuer may upon request by the county government cause a valuation to be undertaken for the respective county government</p> <p>(2) The Chief Government Valuer shall from time to time develop guidelines with respect to standardization and harmonization on preparation and implementation of valuation rolls.</p> <p>(3) The Chief Government Valuer shall upon request by any person, advise on preparation of valuation rolls for rating areas.</p>	<p>Failure to recognize the role of the National Land Commission in management and administration of public land on behalf of county and national governments pursuant to Article 67 (2) (a) of the Constitution & assessment of tax on lands and premiums on immovable properties pursuant to Act 67 (2) (g) of the Constitution</p>	<p>25.(a)(1) The Chief Government Valuer may upon request by the county government cause a valuation to be undertaken for the respective county government.</p> <p>(2) The Chief Government Valuer shall upon request by any person, advise on preparation of valuation rolls for rating areas.</p> <p>(3) The Chief Government Valuer shall maintain a depository and record of all valuation rolls prepared by each county government.</p>	

		<p>(4) The Chief Government Valuer shall maintain a depository and record of all valuation rolls prepared by each county government.</p> <p>(5) For purposes of ensuring harmonized and standardized valuation rolls and rating on rateable areas across the counties, the Cabinet Secretary, in consultation with the Chief Government Valuer shall develop regulations thereto.</p> <p>(6) The regulations contemplated under subsection (5) shall provide for intergovernmental rating and valuation standards and procedures in accordance with the requirements of the Intergovernmental Relations Act, 2012.</p>		<p>(4)The regulations contemplated under subsection (5) shall provide for intergovernmental rating and valuation standards and procedures in accordance with the requirements of the Intergovernmental Relations Act, 2012.</p>	
	25(b)Responsibilities of the National Land Commission	Omission	Include	<p>25.(b)(1) The National Land Commission may upon request by the county government cause a valuation to be</p>	<p>Express inclusion of NLC's constitutional role in assessing rates and developing guidelines and regulations.</p>

				<p>undertaken for the respective county government.</p>	
				<p>(2) For the purpose of ensuring harmonized and standardized valuation rolls across the counties, the National Land Commission in consultation with the Cabinet Secretary may from time to time develop guidelines with respect to preparation and implementation of valuation rolls.</p> <p>(3) The National Land Commission shall upon request by any person, advise on preparation of valuation rolls for rating areas.</p> <p>(4) The National Land Commission shall maintain a depository and record of all valuation rolls prepared</p>	

				by each county government.	
	32(7b) Proposed new section			Upon the CECM submitting the valuation roll to the County Assembly, the County Assembly shall adopt the roll within 60 days failure to which the roll shall automatically deemed to have been adopted.	To ensure that County Assemblies expedite the process of adoption of the valuation roll within 60 days
	Provisions on Delegated Legislation	<p>56. (1) The Cabinet Secretary may make regulations generally for the better carrying into effect the provisions and purposes of the Act.</p> <p>(2) Without prejudice to the generality of subsection (1) the Cabinet Secretary may make regulations on-</p> <ul style="list-style-type: none"> a) Preparation of valuation rolls and supplementary valuation rolls b) Property exempted from payment of rates 	The roles of the Cabinet Secretary, the County Government and the National Land Commission should be consistent all through.	<p>56. (1) The Cabinet Secretary in consultation with the National Land Commission make regulations generally for the better carrying into effect the provisions and purposes of the Act.</p> <p>(2) Without prejudice to the generality of subsection (1) the Cabinet Secretary in consultation with the National Land Commission may make regulations on-</p> <ul style="list-style-type: none"> a) preparation of valuation rolls and 	To provide for consultation and collaboration of Government Agencies

		<p>c) Timelines to be considered in implementation of this Act</p> <p>d) Penalties of interest rates</p> <p>e) Annual rental value rate</p> <p>f) Valuation for intercounty ratable properties: and</p> <p>g) Tax rate to ensure its compliance with Article 299(5) of the constitution</p> <p>h) The National Land Commission shall make Regulations for valuation of public land for purposes of paying contribution in lieu of rates.</p> <p>(3) Each County Government shall enact their respective county legislation and regulations for the better implementation for provision of this Act. Provided that the county legislation and regulation made under this subsection shall be consistent with the</p>		<p>supplementary valuation rolls;</p> <p>b) property exempted from payment of rates;</p> <p>c) timelines to be considered in implementation of this Act;</p> <p>d) penalties of interest rates;</p> <p>e) annual rental value rate;</p> <p>f) valuation for intercounty ratable properties: *?</p> <p>g) tax rate to ensure its compliance with article 299(5) of the Constitution; and</p> <p>h) valuation of public land for purposes of paying contribution in lieu of rates.</p> <p>(3) Each County Government shall enact their respective county legislation and regulations for the better implementation for provision of this Act.</p>	
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		<p>Act in Regulations made under subsections (2) and (3).</p> <p>(4) Without prejudice to the generality of subsection (4), a County Government shall make regulations on</p> <ul style="list-style-type: none"> a) the use of appropriate technology in the implementation of this Act; b) circumstances under which discounts, waivers and remissions may apply; c) procedures when considering auction of ratable property; d) procedure on issuance of agency notices; e) county services to be denied upon default; f) procedure on transmission and tabling of the prepared draft valuation roll and 		<p>Provided that the county legislation and regulation made under this subsection shall be consistent with the Act in Regulations made under subsections (1) and (2).</p> <p>(4) Without prejudice to the generality of subsection (3), a County Government shall enact County legislation on the following:-</p> <ul style="list-style-type: none"> a) the use of appropriate technology in the implementation of this Act; b) circumstances under which discounts, waivers and remissions may apply; c) procedures when considering auction of ratable property; d) procedure on issuance of agency notices; e) county services to be denied upon default; 	
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		draft valuation roll; and g) setting their rate struck.		f) procedure on transmission and tabling of the prepared draft valuation roll and draft valuation roll; and g) setting their rate struck.	
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Honourable Chair, I submit.



Thomas Otachi Bw'Omanwa, EBS
 CHAIRPERSON

20 February, 2024

VISION: Excellent administration and management of land for improved livelihoods and sustainable development.
MISSION: To secure and manage public land and exercise oversight on use of land for the benefit of all Kenyans.
MOTTO: Our Land, Our Wealth, Our Heritage/Ardhi Yetu, Mali Yetu, Urithi Wetu