

SPECIAL ISSUE

Busia County Gazette Supplement No. 9 (Acts No. 5)



REPUBLIC OF KENYA

***BUSIA COUNTY GAZETTE
SUPPLEMENT***

ACTS, 2015

NAIROBI, 11th August, 2015

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**THE BUSIA COUNTY ASSEMBLY REVOLVING FUND
(AMENDMENT NO. 2) ACT, 2015**

No. 5 of 2015

Date of Assent: 23rd July, 2015

Date of Commencement: 11th August, 2015

AN ACT of the County Assembly of Busia to amend The Busia County Assembly Revolving Fund Act, 2013 (herein “the Principal Act”).

ENACTED by the County Assembly of Busia, as follows—

Short Title and Commencement

1. This Act may be cited as the Busia County Assembly Revolving Fund (Amendment No. 2) Act, 2015 and shall come into force on the date of its publication in the *Kenya gazette* and *Busia County gazette*.

Amendment of section 2 of No. 6 of 2013

2. Section 2 of the Principal Act is amended—

- (i) by inserting the following new definition in its correct alphabetical position;

“Staff” means a person for the time being employed by the County Assembly Service Board on permanent and pensionable terms or on a fixed term contract.

- (ii) in the definition of the word “Applicant” by inserting the contiguous words “or staff” immediately after the word “member”; and
- (iii) in the definition of the word “Applicant” by adding the phrase “and includes a member of the Busia County Assembly Service Board” at the end.

Amendment of Section 3 of No. 6 of 2013

3. Section 3 of the Principal Act is amended at subsection (2)—

- (i) by inserting the contiguous words “and staff” immediately after the word “members”;
- (ii) by inserting the contiguous words “on a reducing balance for the duration of the loan” immediately after the words “(three per centum)”.

Insertion of a new section 3A in No. 6 of 2013

4. The Principal Act is amended by inserting a new section 3A immediately after section 3 as follows—

Scope and Eligibility

3A. (1) The scope of loans advanced under this Act shall cover Members of the County Assembly and the County Assembly Service Board as well as the staff of the County Assembly employed on permanent and pensionable terms or on a fixed term contract.

(2) The various thresholds of loans shown in the First Schedule to this Act, as may from time to time be reviewed by the Salaries and Remuneration Commission shall apply for various cadres of staff.

Insertion of a new section 3B in No. 6 of 2013

5. The Principal Act is amended by inserting a new section 3B immediately before section 4 as follows—

Financing and Implementation

3B. (1) The County Assembly Service Board shall set aside necessary funds through the budget process towards implementation of the Car and Mortgage loans under this Act.

(2) Financing may also be arranged through written agreements between the County Assembly Service Board and financial institutions or banks.

Insertion of a new section 5A in No. 6 of 2013

6. The Principal Act is amended by inserting a new section 5A immediately after section 5 as follows—

Internal administration

5A. (1) The County Assembly Service Board shall administer and manage the scheme internally.

(2) The administration of the scheme under this Act shall be audited in accordance with the relevant law relating to public audit.

Insertion of a new section 6A in No. 6 of 2013

7. The Principal Act is amended by inserting a new section 6A immediately after section 6 as follows—

Duration and termination of staff loans scheme

6A. (1) Every car loan advanced to staff under this Act shall be repaid for a period not exceeding five years.

(2) (1) Every mortgage loan advanced to staff under this Act shall be repaid for a period not exceeding twenty years.

(3) Where a member of staff leaves the service of the county assembly for a reason or on grounds other than misconduct the terms of the loan advanced to that employee shall remain in force and shall not change for the life of the loan.

(4) Despite section 3 (2) of this Act where a member of staff leaves the service of the county assembly on ground of misconduct the interest rates applicable shall revert to the prevailing market rates with immediate effect.

(5) Despite subsections (1) and (2) of this Section where a member of staff defaults repayment of a loan advanced to him or her under this Act that loan shall become recoverable as a civil debt in accordance with the Debts (Summary Recovery) Act, Chapter 42 of the Laws of Kenya or any other relevant law.

Insertion of a new First Schedule in No. 6 of 2013

8. The Principal Act is amended by inserting of a new First Schedule as follows—