SPECIAL ISSUE

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REPUBLIC OF KENYA

KENYA GAZETTE SUPPLEMENT

LAIKIPIA COUNTY BILLS, 2017

NAIROBI, 28th March, 2017

CONTENT

Bill for Introduction into the County Assembly of Laikipia —

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THE LAIKIPIA COUNTY CO-OPERATIVE SOCIETIES (AMENDMENT) BILL, 2017

A Bill for

AN ACT of the County Assembly of Laikipia to amend the Laikipia County Co-operative Societies Act, 2014 and for connected purposes

ENACTED by the County Assembly of Laikipia, as follows—

1. This Act may be cited as the Laikipia County Co-operative Societies (Amendment) Act, 2017. Short title

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

"Principal Act" means the Laikipia County Co-operative Societies Act, 2014.

3. Section 106 of the Principal Act is *amended* as follows— Amendment of section 106

(a) in subsection (1), by *inserting* the word "revolving" between the words "Development" and "Fund" to read—

106 (1) There is established a Fund to be known as the Laikipia County Co-operatives Development Revolving Fund.

(b) in subsection (3), by *deleting* subsection 3 (a), (b) and (c) and *substituting* therefor the following new subsection–

106 (3) The Fund shall be utilized for providing loans or credit to co-operative societies as may be approved by the Board.

(c) by *inserting* a new subsection immediately after subsection 3 to read as follows—

106 (4) The Board shall ensure that not more than three per cent of all monies consisting of the Fund will be utilized for the administration of the Fund.

4. Section 107 of the Principal Act is *amended* as follows— Amendment of section 107

(a) in subsection (1), by *deleting* the words "administered by a Board of Trustees" and *substituting* therefor to read as follows—

107 (1) The Fund shall be managed by a Board.

(b) by inserting the following new subsection immediately after subsection 107 (1) as follows:

107 (2) The Board shall consist of—

(a) a non-executive chairperson appointed by the Governor from persons qualified and experienced in co-operatives development, finance, economics, law or business administration;

(b) two people appointed by the County Executive Member responsible for co-operatives from among professionals qualified and experienced in co-operatives development, law, finance or business administration or any related field;

(d) two persons nominated by the co-operative societies in accordance with the prescribed procedure and appointed by the County Executive Member responsible for co-operative development;

(e) Chief Officer responsible for co-operatives development;

(f) Chief Officer responsible for Finance;

(g) the Fund administrator appointed by the County Executive Committee member responsible for Finance who shall be the secretary to the Board and an ex-officio member.

(c) in subsection (3), by *deleting* the word "of Trustees" to read as follows:

107(3) The Board shall—

(d) *inserting* a new subsection as follows—

107 (4) The members of the Board may be

removed from office on any of the following grounds—

(a) incompetence;

(b) abuse of office;

(c) gross misconduct;

(d) insanity;

(e) physical or mental incapacity rendering the member incapable of performing the duties of the office; or

(f) gross violation of the Constitution.

5. The Principal Act is *amended* by *inserting* the following new section immediately after section 107—

Insertion of a new Section 107A in the Principal Act.

107A (1) There shall be a Fund Administrator recruited through a competitive process who shall be appointed by the County Executive Member responsible for Finance upon recommendation by the County Public Service Board.

107A (2) For a person to be appointed as Fund Administrator, the person must —

(a) hold a degree in Business Administration, Finance, Co-operative Development, Law or equivalent from a recognized university;

(b) has at least five years professional experience in management; or

(c) diploma in co-operative management with at least 10 years professional experience in a senior managerial position.

107A (3) The Fund Administrator shall serve for a term of three (3) consecutive years and shall be eligible for reappointment for one other term of three (3) years.

107A (4) The remuneration, disciplinary process and removal from office of the Fund Administrator shall be in accordance with the set out regulations in the County Governments Act and terms and regulations governing public service.

MEMORANDUM OF OBJECTS AND REASONS

This Bill seeks to amend the Laikipia County Co-operatives Societies Act, 2014 to convert the Development Fund into a revolving found to be utilized in the provision of credit and loan facilities to Co-operative Societies in the County.

The Bill also seeks to limit the administrative costs to the statutory recommended amount.

The Bill also provides the management of the co-operatives fund through a Board. It also enumerates the terms and service of the Board.

The Bill also seeks to establish the office of the Fund Administration, the terms and service of the said office.

Dated 22nd February, 2017

MICHAEL KINYUA,
Chairperson, Trade, Tourism and
Co-operatives Development Committee.