SPECIAL ISSUE

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REPUBLIC OF KENYA

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SIAYA COUNTY ACTS, 2019

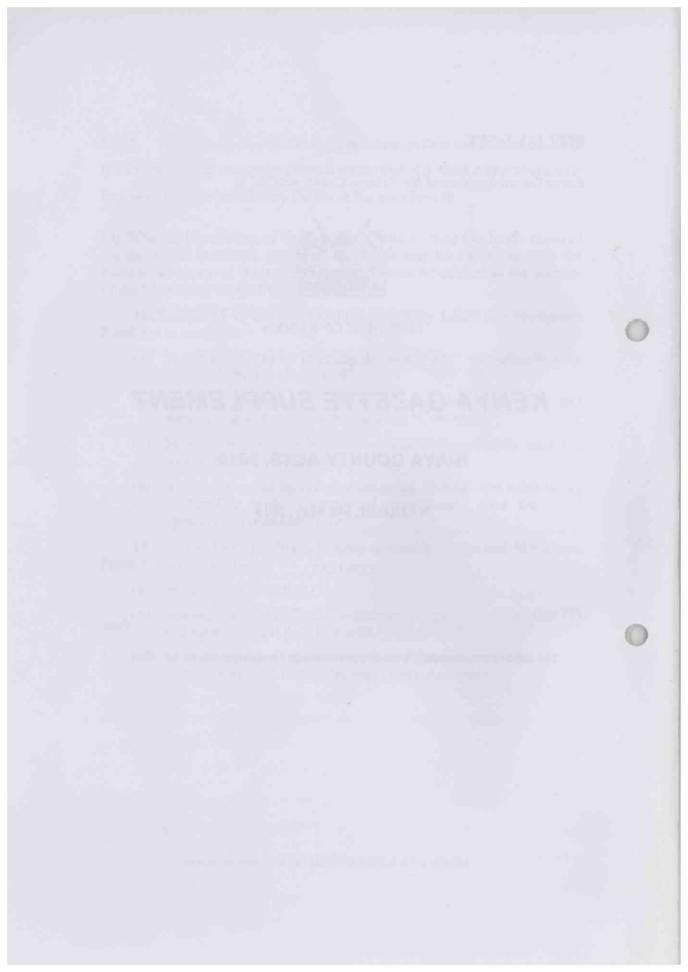
NAIROBI, 6th May, 2019

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THE SIAYA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE FUND (AMENDMENT) ACT, 2019

No. 3 of 2019

Date of Assent: 30th April, 2019

Date of Commencement: 20th May, 2019

AN ACT of the County Assembly of Siaya to amend the Siaya County Assembly Car Loan and Mortgage Fund Act

ENACTED by the County Assembly of Siaya, as follows-

- 1. This Act may be cited as the Siaya County Assembly Car Loan and Mortgage Fund (Amendment) Act, 2019
- 2. The Siaya County Assembly Car Loan and Mortgage Act (in this Act referred to as "the Principal Act" is amended in Section 2—
 - (a) by deleting" (1)" immediately after section 2
 - (b) by inserting the words, "and staff" after the word "Member" in the definition of 'applicant'
 - (c) by inserting the definition of the word "staff" to mean staff employed by Siaya County Assembly Service Board on permanent and pensionable terms"
 - (d) by deleting the entire meaning of the word, "Board" and inserting the new meaning as, "the County Assembly of Siaya Service Board established under Section 12 of the County Government Act, 2012".
 - (e) by deleting the entire definition of the word "Chief Officer"
- 3. Section 3(1) of the Principal Act is amended—by inserting the words "Siaya County Assembly" between the words, 'the' and 'Loans'
- 4. Section 4 of the Siaya County Assembly Car Loan and Mortgage Fund Act is amended—
 - (a) by inserting the words "and purpose" between the words" objective" and "of" in the subtitle of Section (4)
 - (b) by deleting the entire text after Section 4(1) and inserting the following

"The object and the purpose of the fund shall be to-

(a) provide a loan for the purchase, development, renovation or repair of residential property by members and staff

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 - (b) provide a loan for purchase of parcel of land for residential development by members and staff
 - (c) provide a loan for purchase of motor vehicle by members and staff."
 - 5. Section 4(2) paragraphs (a) and (b) is amended—

by deleting the entire paragraphs and substituting with the following;

- (a) With respect to the fund, Members of the Siaya County Assembly shall each be entitled to a car loan and mortgage facility as shall be prescribed by the Salaries and Remuneration Commission from time to time. Provided that the Car Loan and or Mortgage money together with the interest accrued shall be repayable within the legislative term of the member
- (b) With respect to the fund, staff of Siaya County Assembly shall each be entitled to a car loan and mortgage facility as shall be prescribed by the County Assembly Service Board in consultation with Salaries and Remuneration Commission from time to time. Provided that the Car Loan and or Mortgage facility together with the interest accrued shall be repayable within the time of engagement of the staff as an employee of the Assembly.
- (c) If the borrower ceases to be a Member or Staff of the Assembly before fully repaying the loan, the balance shall be recovered from the terminal dues of such Member or Staff.
- 6. Section 5(2) of the Siaya County Assembly Loans and Mortgages Act is amended—
 - (a) by deleting the words 'Member of the Executive Committee' and substituting with the following words 'County Assembly Service Board'
- 7. Section 7(1) of the Siaya County Assembly Loans and Mortgages Act is amended—
 - (a) by inserting the following new subsection immediately after section 6
- 7A A loans and Mortgages Management Committee is hereby established for the purposes of this Act and shall consist of the following members—
 - (a) An accounting officer or his or her alternate as approved by the Board who shall be the administrator of the fund

- (b) two members of the board, one representing the public and one representing MCAs, one of whom, elected by the members of the Management Committee, shall be the Chairperson.
- (c) director of Finance and Accounting Services
- (d) director Human Resource and Administration
- (e) one other staff member nominated by the Board
- (f) whips of Majority and Minority parties
- (g) chairperson of the County Assembly Committee in charge of welfare
- 8. Section 7 of the Principal Act is amended in subsection (2)—
- (a) by deleting the words "Board" and substituting it with the word "Committee"
- 9. Section 7 of the Principal Act is amended in subsection (3)—
- (b) by deleting the word "Board" and substituting it with the word "Committee"
- 10. Section 7 of the Principal Act is amended in subsection (4)—

By deleting the word 'Board' and substituting it with the word "Committee' immediately after the words "meetings of the"

- 11. Section 8 of the Siaya County Loans and Mortgages Act is amended—
 - (a) in the subtitle by inserting the word "sub" after the word "of"
 - (b) in subsection (2) by deleting the word "Board" and substituting it therefore with "Committee"
 - (c) in subsection (3) by deleting the word "Board" and substituting it therefore with the word "Committee" immediately after the words "or adaptations as the"
- 12. Section 9 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) by deleting the word "Board" in the subtitle and substituting it therefore with "Committee"
 - (b) by deleting the word, "Board" and substituting it therefore with word "Committee" immediately after the words "shall make an application to the."

- 13. Section 10 of the Siaya County Assembly Loans and Mortgages Fund Act is amended-
 - (a) by deleting the word "Board" and substituting it therefore with the word "Committee"
 - (b) by inserting the following new Sections after Section 10

10A Conditions for disbursement of car loan

- (1) A vehicle purchased through a loan disbursed under this Act shall not exceed eight years from the date of manufacture
- (2) The log book of a vehicle subject to a loan from the Fund shall be kept in the custody of the officer administering the Fund until the loan is repaid in full by the member
- (3) A member or a staff shall be eligible to receive a car loan amount which shall be the value of the vehicle that the member proposes to purchase subject to the maximum amount as shall be set by the Salaries and Remuneration Commission
- (4) A car loan advanced under these Guidelines shall be repaid in full
 - (a) within the life of the Assembly or within the duration of the remaining period of service of the member, whichever is earlier
 - (b) within five years or within the remaining period to retirement in case of a staff, whichever is earlier.

10B Conditions for disbursement of Mortgage

- (1) A member or a staff shall be eligible to receive up to a maximum mortgage loan amount which shall be set by the Salaries and Remuneration Commission
- (2) A borrower shall take out and maintain a mortgage protection policy and a fire policy with an insurance
- (3) (a) A mortgage loan advanced under this Act shall be repaid in full over a maximum period of twenty years or within the duration of the remaining period of service of a staff member, whichever is earlier
 - (b) A mortgage loan advanced under this Act shall be repaid in full within the life of the Assembly or within the duration of the remaining period of service of the member whichever is ealier.

- 14. Section 11 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) by deleting the word "Board" in the subtitle and substituting it therefore with word "Committee";
 - (b) in subsection (1) by deleting the word "Board" and substituting it therefore with the word "Committee";
 - (c) in subsection (2) by deleting the word "Board" and substituting it therefore with the word "Committee" immediately after the words "each financial year";
 - (d) in subsection (3) by deleting the word" Board" and substituting it therefore with word "Committee" and deleting the words "County Executive Committee Member" and substituting therefore with the words "County Assembly Service Board"
- 15. Section 12 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) by deleting the word "Board" and substituting it therefore with the word "Committee";
 - (b) in subsection (1) by deleting the word "Board" and substituting it therefore with the word "Committee" immediately after the word "or attempts to induce the Board".
- 16. Section 14 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) by deleting the word "Board" and substituting it therefore with the word "committee".
- 17. Section 13 of the Siaya County Assembly Loans and Mortgage Fund Act is amended –
- 13 (3) (a) A successful applicant shall comprehensively insure any vehicle purchased through the Fund with an insurer approved by the Management Committee.
- (b) Where a member of the Fund is unable to raise the funds required for the initial insurance premium, such funds may be advanced from the Fund subject to an approved limit, but subsequently annual premiums shall be paid by the member of the Fund.

- (c) Every loan or mortgage granted under this Act shall comprehensively be insured by the beneficiary for his or her own benefit
- (d) Where a beneficiary of the Fund is unable to raise the funds required for the initial insurance premium, the funds may be advanced from the Fund to an approved limit and that amount shall be debited to the account of the Member or staff of the Assembly.
- 18. Section 15 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) in subsection (1) by inserting the word "any" immediately after the words "in the absence of";
 - (b) by deleting the word "Board" wherever it appears and substituting it therefore with the word "Committee";
 - (c) by inserting the words "Service Board" immediately after the words "County Assembly";
 - (d) in subsection (2) by deleting the word 'Board" and substituting it therefore with "Committee" immediately after the word "powers and mandate of the"
- 19. Section 16 of the Siaya County Assembly Loans and Mortgages Fund Act is amended—
 - (a) by deleting subsection (1)
 - (b) deleting the word "Board" wherever it appears in subsection (1) and substituting it therefore with "Committee"
 - (c) by inserting the words "Service Board" immediately after the words "from time to time by the County Assembly"