

A BILL

FOR

AN ACT TO AMEND THE ALLOCATION OF REVENUE (FEDERATION ACCOUNT, ETC) ACT 2004 AND MATTERS CONNECTED THEREWITH

Sponsored By Hon. Edward Gyang Pwajok

[] Commencement

BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

1 1. The Allocation of Revenue (Federation Account etc.) Act, CAP
2 A15 2004 Act is hereby amended as set out hereunder.

3 2. The principal Act is hereby amended by inserting a new
4 subsection 1 after the Principal Section as follows:

Amendment of
Section 1

5 “Provided that disbursement shall only be made to States whose Local
6 Governments are in accordance with democratic principles as enshrined in
7 Section 7 of the Constitution (1999) as amended”.

8 3. The principal Act is hereby amended and a new subsection 2 is
9 added as follows:

Amendment of
Section 1

10 “where a State's Local Government Councils fails to meet the requirements
11 of democratic principles as enshrined in Section 7 of the Constitution 1999
12 as amended, its share of allocation to the Local Government councils shall
13 be held in an escrow account established for it until the Attorney General of
14 the Federation or in his absence the Solicitor General of the Federation shall
15 communicate in writing to the F AAC that such state has satisfied the
16 requirements of Section 7 of the Constitution. Monthly return of any State
17 whose Local Government have not met the requirements of democratic
18 principles enshrined in Section 7 of the Constitution 1999 as amended, shall
19 be made to the FAAC by the Attorney General of the Federation”.

20 4. The principal Act is hereby amended by adding a new
21 subsection 2(a) as provided thus:

Amendment of
Section 2

Amendment of
Section 2

1 "It shall be an offence to act contrary to the provisions of this law".

2 5. The principal Act is hereby amended by adding a new subsection

3 2(b) as provided thus:

4 "A person who violates Section 2(a) above is liable to a fine of not less than N1
5 million or imprisonment of not less than one year or both. (Note that the
6 liability shall extend to the Federal and State Government officials who
7 contravene the law)".

EXPLANATORY MEMORANDUM

This Act, among other things amends the Allocation of Revenue (Federation Account, etc) Act 2004 by making it mandatory for Local Government Councils to be Democratic in order to collect their share of Revenue from the Federation Account and criminalises violation of the Act.