

A BILL

FOR

AN ACT TO AMEND THE INTERNAL LOANS ACT CAP 118, 2004 LFN

Sponsored by Hon. Edward Gyang Pwajok

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria:

1 The internal loans Act, CAP 118, LFN 2004 is amended as set out hereunder:

2 1. Section 1 (1) (b) is amended by deleting "the said Minister" and
3 substituting it with "the National Assembly".

4 2. A new sub section 3 is provided for thus:

5 "The government of a State shall only be qualified to raise a loan pursuant to
6 this Act if it is authorized to do so by:

7 (a) Resolution of the State Executive Council;

8 (b) A resolution of at least two thirds of the elected Local
9 Government Chairmen of the State; and

10 (c) A resolution of the House of Assembly of the State.

11 3. The existing sub section 3 is amended by retaining it but
12 renumbering it as sub section 4.

13 4. A new section 2 is provided for thus:

14 *Offences*

15 It shall be an offence to violate the provisions of this Act, which shall
16 be punishable by:

17 1. Imprisonment for not less than five years for all the Government
18 officials involved and found liable

19 2. The Government officials referred to in sub section 1 above
20 shall include the Minister or any official who acts in his stead who gives the
21 approval and the State Government officials who process the loan.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Law to ensure that the Democratic structures in the State support the loan and to punish any violation.