

A BILL

FOR

AN ACT TO AMEND SECTIONS 1(C), 7(2), 8(1), 18, 24, AND 99 OF THE PENSION REFORM ACT CAP P50 LFN 2014 BY PROVIDING THAT A PENSIONER, SHALL RECEIVE AT LEAST 75% OF HIS RETIREMENT BENEFITS IMMEDIATELY UPON RETIREMENT AND CRIMINALIZE THE UNDUE DELAY IN THE PAYMENT OF PENSION AND FOR RELATED MATTERS

Sponsored by Hon. Olaiifa Jimoh Aremu

[] Commencement

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

1 1. The Pension Reform Act cap P50 LFN 2014 is hereby amended
2 as contained herein:

Amendment of
the Pension Reform
Act P50 LFN 2014

3 2. Section 1 (c) of the Pension Reform Act 2014 is amended by
4 deleting "receives his retirement benefits as and when due" and replaces it
5 with "receives at least 75% of his retirement benefits immediately upon
6 retirement, disengages or is disengaged and re-arranged as follows:

Amendment of
section 1 (c) of
the Pension Reform
Act 2014

7 (c) ensure that every person who worked in either the Public
8 Service of the Federation, Federal Capital Territory, States and Local
9 Government or the Private Sector receives at least 75% of his retirement
10 benefits upon retirement, disengages or disengaged.

11 3. Section 1 (c) of the Pension Reform Act 2014 is amended by
12 adding new paragraph (e) immediately after (d) and rearranged as follows:

Amendment of
section 1 (c) of
the Pension Reform
Act 2014

13 (e) make provision for payment of the remaining benefits or every
14 benefit without delay.

15 4. Section 7 (2) of the Pension Reform Act 2014 is amended by
16 deleting the figure "25" in line four and replace it with "75" and delete
17 "provided that such retirement or cessation of employment and the
18 employee does not secure another employment" and rearranged as follows:

Amendment of
section 7 (2) of
the Pension Reform
Act 2014

1 7(2) Where an employee voluntarily retires, disengages or is
2 disengaged from employment as provided for under section 16 (2) and (5) of
3 this act, the employee may with the approval of the Commission, withdraw an
4 amount of money not exceeding 75% of the total amount credited to his
5 retirement savings account.

Amendment of
section 8 (1) of
the Pension Reform
Act 2014

6 5. Section 8 (1) of the Pension Reform Act 2014 is amended by
7 adding "all" immediately after "dies" in line one and rearranged as follows:

8 (8)(1) Where an employee dies, all his entitlements under the life
9 insurance policy maintained under section 4 (5) of this act shall be paid by an
10 underwriter to the named beneficiary in line with section 57 of the insurance
11 act.

Amendment of
section 18 of the
Pension Reform
Act 2014

12 6. Section 18 of the Pension Reform Act 2014 is amended by adding
13 new paragraph (d) immediately after (c) and rearranged as follows:

14 (d) Ensure prompt payment of retirement benefit without undue delay.

Amendment of
section 24 of the
Pension Reform
Act 2014

15 7. Section 24 of the Pension Reform Act 2014 is amended by adding
16 new paragraph (P) immediately after (O) and re-arranged as follows:

17 (P) Ensure prompt payment of retirement benefits without undue
18 delay.

Amendment of
section 99 of the
Pension Reform
Act 2014

19 8. Section 99 of the Pension Reform Act 2014 is amended by adding
20 new subsection (5) immediately after subsection (4) and re-arranged as follow:

21 (5) Any person, body, Pension Fund Administrator, or Pension Fund
22 Custodian that withholds or unduly delays payment of retirement benefit
23 which have been released by the Federal Government or its Agency,
24 Commission or Body commits an offence and shall be liable to 3 years
25 imprisonment or a fine of N2,000, 000.00 or both.

Citation

26 9. This Bill may be cited as the Pension Reform (Amendment) Bill,
27 2020.

EXPLANATORY MEMORANDUM

This Bill seeks to amend sections 1(c), 7(2), 8(1), 18, 24, and 99 of the Pension Reform Act Cap P50 LFN 2014 by providing that a pensioner shall receive at least 75% of his retirement benefits, immediately upon retirement and criminalize the undue delay in the payment of pension.

