STATUTORY BODIES (FINANCIAL AUTHORIZATION) BILL, 2019

ARRANGEMENT OF SECTIONS

Section:

A BILL

FOR

AN ACT TO REQUIRE FINANCIAL AUTHORIZATION BY THE NATIONAL ASSEMBLY PRIOR TO WITHDRAWAL OF MONEYS FROM THE FUNDS OF STATUTORY BODIES; TO PRESCRIBE THE PROCEDURE FOR FINANCIAL AUTHORIZATION ACTS FOR STATUTORY BODIES; AND FOR RELATED MATTERS

Sponsored by Hon. Benjamin Mzondu

[ ] Commencement

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

Application to statutory bodies

1.-(1) Except otherwise provided by the Constitution, where by an Bill of the National Assembly, power, on any matter within the legislative competence of the National Assembly is conferred on a statutory body to establish and maintain a fund the provision of this Act shall apply notwithstanding any contrary provision in the Bill or any other law.

(2) The provisions of this Bill shall apply to statutory bodies set up under the Constitution or an Bill of the National Assembly but shall not apply to professional bodies established pursuant to an Act of the National Assembly.

Effect of non-compliance with the provisions of this Bill

2. It shall be unlawful for any statutory body listed under section 1 (2) of this Bill to withdraw any money from its fund unless it is in compliance with the provisions of this Bill.

Financial Authorization Bill

3. No money shall be withdrawn from any public fund established pursuant to any Act of the National Assembly providing for the establishment of a statutory body unless the issue of those moneys has been authorized by an Bill of the National Assembly as set out in this Bill.

Procedure for Financial Authorization Bill

4.-(1) A statutory body shall prepare and submit to the relevant committee of each chamber of the National Assembly at any time before the

31st of March of each year estimates of revenues and expenditure of such statutory body for that year.

(2) The heads of expenditure contained in the estimates shall be included in a bill to be known as Financial Authorization Bill, providing for the issue from the fund of such statutory body of the sums necessary to meet that expenditure and the authorization of those sums for the purposes specified therein.

(3) If in respect of any financial year it is found that:

(a) the amount authorized by the Financial Authorization Bill for any purpose is insufficient; or

(b) a need has arisen for expenditure for a purpose for which no amount has been authorized by the Bill, a supplementary estimate showing the sums required shall be submitted to relevant committees of each house of the National Assembly and the heads of any such expenditure shall be included in a Supplementary Financial Authorization Bill.

(4) The bill required pursuant to the provisions of subsection (2) of this section shall stand in the name of the chairman and members of the relevant committee of the National Assembly.

(5) The provisions of section S9 of the Constitution shall apply to a Financial Authorization Bill.

(6) If the Financial Authorization Bill in respect of any financial year has not been passed into law by the 30th of June of the financial year, the statutory body may authorize the withdrawal of moneys from the fund of a statutory body for the purpose of meeting expenditure necessary to carry on the services of such statutory body for a period not exceeding six months or until the coming into operation of the Financial Authorization Bill, whichever is the earlier:

Provided that the withdrawal in respect of any such period shall not exceed the amount authorized to be withdrawn from the fund of a statutory body under the provisions of the Financial Authorization Bill passed by the

National Assembly for the corresponding period in the immediately preceding financial year, being an amount proportionate to the total amount so authorized for the immediate preceding financial year.

Commencement of Financial Authorization Bill

5. A Financial Authorization Bill shall come into operation the 1st day of January of a year and shall be deemed to have expired on the 31st of day of December of that same year.

(2) The operation of a Financial Authorization Bill may be extended to a maximum period of three months from the date it may have been deemed to have expired only by a simple resolution of each house of the National Assembly authorizing such extension.

Disciplinary action for gross misconduct

6.-(1) A person who contravenes a provision of this Bill is liable to gross misconduct in service and on the recommendation of both houses of the National Assembly disciplinary action shall be commenced, according to the law or the rule of service, which is applicable, against him or her.

(2) Nothing in this section shall prejudice the prosecution of a person undergoing disciplinary action or preclude such person from being prosecuted or punished for an offence in a court of law.

(3) Where a person who is a public officer is liable under this Bill, unless he shows reasonable cause which is sufficient for his or her pardon, he or she shall be personally liable.

(4) The person referred to in subsection (1) of this section shall be the head of a statutory body.

Report to National Assembly

7. A statutory body shall prepare and forward to relevant committees of both chambers of the National Assembly not later than 30 days from the end of a financial year its financial and operational report for the immediately preceding year.

Interpretation

8. In this Bill, unless the context otherwise requires:

"Constitution" means the Constitution of the Federal Republic of Nigeria, 1999;

"National Assembly" means the Senate and House of Representatives;

"person" includes statutory body;

"power" includes function and duty;

"public officer" means a member of staff of the public service defined by the Constitution;

"relevant committees" in respect to each House of the National Assembly means the committees charged with the responsibility of oversight on a statutory body;

"statutory body" means bodies corporate established pursuant to an Act of the National Assembly and the Constitution.

Short title

9. This Bill may be cited as the Statutory Bodies (Financial Authorization) Bill, 2019.

EXPLANATORY MEMORANDUM

This Bill seeks to require financial authorization by the National Assembly prior to the withdrawal of monies from the funds of statutory bodies and as well to prescribe the procedure for Financial Authorization Acts for the purpose of enforcing Constitutional requirement and for the enhancement of transparency and accountability by statutory bodies.