

# A BILL

## FOR

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

*Sponsored by Hon. Chris Emeka Azubogu*

[ ] 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 Amendment of  
2 A152004 Act is hereby amended as set out hereunder.           the Principal Act.
- 3           2. The Principal Act is hereby amended by inserting a new Amendment of  
4 subsection 1 after the Principal Section as follows:           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 Amendment of  
9 added as follows:           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 FAAC 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 Amendment of  
21 subsection 2(a) as provided thus:           Section 2

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

Amendment of  
Section 2

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)".

Citation

8. 6. This Bill may be cited as the Allocation of Revenue (Federation  
9. Account, etc) Act (Amendment) Bill, 2019.

#### EXPLANATORY MEMORANDUM

This Bill seeks to amend 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.