A BILL

FOR

AN ACT TO AMEND THE PENSION REFORM ACT 2014 AND TO ENACT THE PENSION REFORM (AMENDMENT) ACT 2019; AND FOR RELATED MATTERS

Sponsored by Hon. Shehu Barwa Beji

[ ] Commencement

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

Amendment of 2014

1. The Pension Reform Act, Laws of the Federation of Nigeria, 2014 (hereinafter referred to as the "Principal Act") is amended as set out in this Bill.

Amendment of Section 12

2. Section 12 of the Principal Act is amended:

(a) In sub section (1) the phrase "first line" is hereby inserted before the word "charge".

3. In sub section (3) of the Principal Act, the clause "not later than 30th day of every month" is hereby inserted after "of this section".

4. Sub section (4) is hereby added under Section 12 to provide thus:

"The contributions of every State to the retirement savings account of its employees under Section 11 (3) of this Act shall be a first line charge on the revenue fund of the state.

5. Subsection (5) is hereby added under Section 12 to provide thus: "The contributions of every private employer to the retirement savings account of its employees shall be a first line charge on the fund or asset of the private employer.

Amendment of Section 16

5. Section 16 of the Principal Act is amended:

(a) in sub section (1), the words "An employee shall not be entitled to make any withdrawal from his retirement savings account opened under section 11 (1) of this Act before attaining the age of 50 years" is amended to read "An employee shall be entitled to make up to 50% withdrawal from their retirement savings account opened under section 11 (1) of this Act.";

(b) in sub section (2) (c), the last clause "shall be entitled to make withdrawals in accordance with section 7 of this Act." is amended to read "shall be entitled to make withdrawals of the total amount credited to his retirement savings account."

Citation

6. This Bill may be cited as the Pension Reform Act (Amendment) Bill, 2019.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Pension Reform Act, Laws of the Federation of Nigeria, 2014 and enact the Pension Reform (Amendment) Act, 2019 to inter alia, provide for punctual funding of employees' retirement savings account as first line charge by employers in the Federal Republic of Nigeria and to further grant employees unfettered access to their retirement savings account during and after service.