



GOVERNMENT OF NAGALAND

The Nagaland Fiscal Responsibility and Budget Management (5th Amendment) Bill, 2022

March 2022

The Nagaland Fiscal Responsibility and Budget Management (Fifth Amendment) Bill, 2022

A Bill to amend the short titles of the Nagaland Fiscal Responsibility and Budget Management Amendment Acts of 2009, 2011 and 2021 and further to amend the Nagaland Fiscal Responsibility and Budget Management Act, 2005 (Act No. 7 of 2005)

Be it enacted by the Nagaland Legislative Assembly in the Seventy Third year of the Republic of India as follows:-

1. Short Title and Commencement

- i. This Act may be called the Nagaland Fiscal Responsibility and Budget Management (Fifth Amendment) Act, 2022
- ii. It shall come into force from the date of their publication in official gazette.

2. Amendment of Section 1 of the Nagaland Fiscal Responsibility and Budget Management (Amendment) Act, 2009

In Sub-section (1) of Section 1, after the symbol "(" (open bracket) and before the word "Amendment", the word "First" shall be inserted.

3. Amendment of Section 1 of the Nagaland Fiscal Responsibility and Budget Management (Amendment) Act, 2011

In Sub-section (1) of Section 1, after the symbol "(" (open bracket) and before the word "Amendment", the word "Second" shall be inserted.

4. Amendment of Section 1 of the Nagaland Fiscal Responsibility and Budget Management (Amendment) Act, 2021

In Sub-section (1) of Section 1, after the symbol "(" (open bracket) and before the word "Amendment", the word "Third" shall be inserted.

5. Amendment of Section 9 of Nagaland Fiscal Responsibility and Budget Management Act, 2005 (hereinafter called the Principal Act)

For Clause (iii) of Sub-section (2) of Section 9 of the Principal Act, the following clause shall be substituted: namely;-

“revise the debt to GSDP ratio to achieve the following targets-
45.2% in 2020-21, 43.0% in 2021-22, 42.1% in 2022-23. 40.6% in 2023-24, 39.1% in 2024-25 and 37.7% in 2025-26.”

FINANCIAL MEMORANDUM

The Nagaland Fiscal Responsibility and Budget Management (Fifth Amendment) Bill, 2022, if enacted and brought into operation in the State, shall not involve any additional expenditure from the Consolidated Fund of the State.

(NEIPHIU RIO)
Chief Minister
and
Minister-in-Charge, Finance

STATEMENT OF OBJECT AND REASONS

The Nagaland Fiscal Responsibility and Budget Management Act 2005 has undergone 4 (four) amendments. During the initial three instances, serialling was not done. It is essential to keep track of the number of amendments made. Hence the proposal.

The Fifteenth Finance Commission has recommended a fiscal roadmap for the States which was accepted by the Government of India. Targets of Debt-GSDP ratio of the State of Nagaland as provided for in Sub-clause (iii) of Clause (2) of Section 9 of the Nagaland Fiscal Responsibility and Budget Management Act 2005 need to be revised pursuant to the recommendations of the Fifteenth Finance Commission. Hence the proposed amendment.

(NEIPHIU RIO)
Chief Minister,
and
Minister-in-Charge, Finance