

Arkansas Legislation: Timing Requirements for Arkansas Municipal Referendum Petition Circulation



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Mitchell Williams bond lawyers John Bryant, Jill Drewyor and Michele Allgood authored an important reminder in regards to timing requirements for Arkansas referendum petition circulation.

This petition process can have some relevance to Arkansas municipalities' infrastructure upgrades or other activities undertaken from an environmental protection standpoint.

John, Jill and Michele noted in a recent memorandum:

Act 1093 of the 90th Arkansas General Assembly set the minimum time allowed for circulation of a municipal referendum petition (other than a municipal referendum petition concerning a municipal bond) at **sixty (60) days**. This change is reflected in Ark. Code Ann. § 14-47-124 and Ark. Code Ann. § 14-55-303. Pursuant to Article 5, § 1 of the Arkansas Constitution, the time period for a municipal referendum petition may be set at not less than thirty (30) days nor more than ninety (90) days after the passage of a municipal ordinance. Prior to enactment of Act 1093, Arkansas municipalities set the referendum time period by local law, with many setting a time period of the minimum thirty (30) days. Those time periods will now need to be expanded to a minimum of sixty (60) days.

The expanded minimum referendum period provided by Act 1093 does not apply to municipal referendum petitions concerning municipal bonds (which are generally subject to a thirty (30) day referendum period). However, municipal bond transactions that involve more than a single bond ordinance, such as a municipal water and sewer bond issue that includes a water or sewer rate increase, which is typically handled with a separate ordinance, will be impacted, because a rate increase ordinance will require a minimum 60 day referendum, potentially affecting the total amount of time necessary to close a bond transaction.