

275.54 Hearing.

1. Within ten days following the filing of the dissolution proposal with the board, the board shall fix a date for a hearing on the proposal which shall not be more than sixty days after the dissolution petition was filed with the board. The board shall publish notice of the date, time, and location of the hearing at least ten days prior to the date of the hearing by one publication in a newspaper in general circulation in the district. The notice shall include the content of the dissolution proposal. A person residing or owning land in the school district may present evidence and arguments at the hearing. The president of the board shall preside at the hearing. The board shall review testimony from the hearing and shall adopt or amend and adopt the dissolution proposal.

2. The board shall notify the boards of directors of all school districts to which area of the affected school district will be attached and the director of the department of education of the contents of the dissolution proposal adopted by the board. The notification shall be delivered using one of the following methods:

- a. Mail bearing a United States postal service postmark.
- b. Hand delivery.
- c. Facsimile transmission.
- d. Electronic delivery.

3. If the board of a district to which area of the affected school district will be attached objects to the attachment, that portion of the dissolution proposal will not be included in the proposal voted upon under [section 275.55](#) and the director of the department of education shall attach the area to a contiguous school district.

4. a. If the board of a district to which area of the dissolving school district will be attached objects to the division of assets and liabilities contained in the dissolution proposal, the matter shall be decided by a panel of disinterested arbitrators. The panel shall consist of one arbitrator selected jointly by affected districts objecting to the provisions of the dissolution proposal, one selected jointly by the affected districts in favor of the provisions of the dissolution proposal, and one selected by the dissolving district. If the number of arbitrators selected is even, a disinterested arbitrator shall be selected by the administrator of the area education agency to which the dissolving district belongs. The decision of the arbitrators shall be made in writing and filed with the secretary of each affected school district. A party to the proceedings may appeal the decision to the district court by serving notice on the secretary of each affected school district within twenty days after the decision is filed. The appeal shall be tried in equity and a decree entered determining the entire matter, including the levy, collection, and distribution of any necessary taxes.

b. If the dissolving district has outstanding bonds issued under [section 423E.5*](#) or [423F.4](#), the arbitrators' decision and any decision of the court on appeal shall require each school district receiving territory from the dissolving district to assume liability for the payment of a portion of such bonds that is equal to the percentage of the total number of resident pupils from the dissolving district who lived in the territory received during the last year of the dissolving district's existence.

5. If a dissolution proposal adopted by a board contains provisions that ninety-five percent or more of the taxable valuation of the dissolving district would be assumed and attached to a single school district, the dissolving school district shall cease further proceedings to dissolve and shall comply with reorganization procedures specified in [this chapter](#).

[C81, §275.54]

[86 Acts, ch 1245, §1465; 2009 Acts, ch 50, §4; 2015 Acts, ch 93, §6, 8](#)

*Chapter 423E repealed effective June 30, 2023, pursuant to terms of former [§423E.7](#); corrective legislation is pending