

Senate File 2306

PAG LIN

SENATE FILE 2306

1 1
1 2
1 3 AN ACT
1 4 RELATING TO CIVIL ACTION APPEAL BONDS AND INCLUDING MONETARY
1 5 LIMITS, AND INCLUDING AN EFFECTIVE AND APPLICABILITY DATE
1 6 PROVISION.

1 7
1 8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 9
1 10 Section 1. Section 625A.9, subsection 2, Code Supplement
1 11 2003, is amended to read as follows:

1 12 2. a. ~~If Except as provided in paragraph "b", if the~~
1 13 judgment or order appealed from is for money, such bond shall
1 14 not exceed one hundred ten percent of the amount of the money
1 15 judgment.

1 16 The court may set a bond in an amount in excess of one
1 17 hundred ten percent of the amount of the money judgment upon
1 18 making specific findings justifying such an amount, and in
1 19 doing so, shall consider, but shall not be limited to
1 20 consideration of, the following criteria:

1 21 (1) The availability and cost of the bond or other form of
1 22 adequate security.

1 23 (2) The assets of the judgment debtor and of the judgment
1 24 debtor's insurer or indemnitor, if any.

1 25 (3) The potential adverse effects of the bond on the
1 26 judgment debtor, including, but not limited to, the potential
1 27 adverse effects on the judgment debtor's employees, financial
1 28 stability, and business operations.

1 29 (4) The potential adverse effects of the bond on the
1 30 judgment creditor and third parties, including public
1 31 entities.

1 32 (5) In a class action suit, the adequacy of the bond to
1 33 compensate all members of the class.

1 34 b. Notwithstanding paragraph "a", in no case shall a bond
1 35 exceed one hundred million dollars, regardless of the value of
2 1 the money judgment. This limitation shall not apply in cases
2 2 where the court finds that the defendant intentionally
2 3 dissipated the defendant's assets outside the ordinary course
2 4 of business for the purpose of evading payment of the
2 5 judgment.

2 6 Sec. 2. EFFECTIVE AND APPLICABILITY DATES. This Act,
2 7 being deemed of immediate importance, takes effect upon
2 8 enactment and applies to cases pending and filed on or after
2 9 the effective date of this Act.

2 10
2 11
2 12
2 13 _____
2 14 JEFFREY M. LAMBERTI
2 15 President of the Senate

2 16
2 17 _____
2 18 CHRISTOPHER C. RANTS
2 19 Speaker of the House

2 20
2 21 I hereby certify that this bill originated in the Senate and
2 22 is known as Senate File 2306, Eightieth General Assembly.

2 23
2 24
2 25 _____
2 26 MICHAEL E. MARSHALL
2 27 Secretary of the Senate

2 28 Approved _____, 2004

2 29
2 30
2 31 _____
2 32 THOMAS J. VILSACK
2 33 Governor