

FEB 18 1998
APPROPRIATIONS

HOUSE FILE 2342
BY GRUNDBERG

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the establishment of an appeal reimbursement
2 fund by the school budget review committee, and making an
3 appropriation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2342

1 Section 1. Section 257.31, Code Supplement 1997, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 18. a. The committee shall establish an
4 appeal reimbursement fund. There shall be appropriated
5 annually from the general fund of the state to the committee
6 an amount sufficient to establish and administer the fund.
7 The purpose of the appeal reimbursement fund shall be to
8 provide reimbursement to local school districts which are a
9 party to a civil action in which an appeal has been filed of
10 up to fifty percent of the fees and costs associated with the
11 commencement, prosecution, or defense of the action.

12 b. A school district may apply to the school budget review
13 committee for reimbursement from the fund after fees and costs
14 resulting from the commencement, prosecution, or defense of an
15 action have been assessed against the school district by the
16 court. The determination as to whether, and to what extent, a
17 school district shall receive a distribution from the appeal
18 reimbursement fund shall be in the discretion of the school
19 budget review committee, based on the circumstances of the
20 case and the extent to which the committee determines that the
21 position of the school district in the prosecution or defense
22 of an action on appeal was justified. In making this
23 determination, the committee shall primarily evaluate the
24 merits of the school district's case, rather than the
25 probability of a favorable outcome on the school district's
26 behalf.

27 c. A school district may also submit a request for a
28 preliminary determination by the school budget review
29 committee of the merits of a prospective appeal, prior to
30 making a decision regarding whether or not to proceed with the
31 appeal. A preliminary determination by the committee that the
32 position of the school district appears justified may be
33 utilized by a school district as one factor in assessing
34 whether or not to proceed with an appeal, but shall not
35 guarantee a distribution from the appeal reimbursement fund.

1 d. The school budget review committee shall establish
2 appeal reimbursement fund application forms and procedures by
3 rule. The committee shall include information regarding
4 applications to and distributions from the appeal
5 reimbursement fund in its annual report to the general
6 assembly pursuant to section 257.31, subsection 2.

7 EXPLANATION

8 This bill provides for the establishment of an appeal
9 reimbursement fund by the school budget review committee and
10 appropriates an amount annually to maintain and administer the
11 fund. The purpose of the appeal reimbursement fund shall be
12 to provide reimbursement to local school districts which are a
13 party to a civil action in which an appeal has been filed of
14 up to 50 percent of the fees and costs associated with the
15 commencement, prosecution, or defense of the action.

16 The bill provides that a school district may apply to the
17 school budget review committee for reimbursement after fees
18 and costs have been assessed against the school district by
19 the court. The determination as to whether, and to what
20 extent, a distribution shall be received shall be
21 discretionary with the school budget review committee, based
22 on the circumstances of the case and the extent to which the
23 committee determines that the position of the school district
24 in the prosecution or defense of an action on appeal was
25 justified. The bill provides that a school district may also
26 submit a request for a preliminary, nonbinding determination
27 by the school budget review committee of the merits of a
28 prospective appeal.

29 The bill additionally provides that the school budget
30 review committee shall establish application procedures by
31 rule, and shall include information regarding applications to
32 and distributions from the appeal reimbursement fund in its
33 annual report to the general assembly.

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