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Executive Council of Iowa

CAPITOL BUILDING
DES MOINES, IOWA 50319
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March 6, 2023

Mr. Sam Langholz
Chief Deputy Attorney General
Attorney General's Office – Hoover Bldg.
L O C A L

Dear Mr. Lanholz:

The Executive Council, in a meeting held on this date, approved your request to expend \$175,000.00 from the Litigation Expense Fund during the third quarter of the 2023 fiscal year.

If you have any questions on the matter, please advise.

Sincerely,

Victoria Newton

Victoria Newton
Executive Secretary

cc: Julie Roisen, Department of Revenue

BRENNA BIRD
ATTORNEY GENERAL

SAM LANGHOLZ
CHIEF DEPUTY ATTORNEY GENERAL



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IOWA DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

February 9, 2023

Victoria Newton
Executive Secretary
Executive Council
State Capitol
LOCAL

Re: Litigation Expense Fund

Dear Victoria:

On behalf of the Department of Revenue, Assistant Attorney General Stephen Sullivan requests authorization to expend monies from the Litigation Expense Fund pursuant to Iowa Code section 441.73 in the third quarter of the 2023 fiscal year. The Department started the 2023 fiscal year with an approximate balance of \$ 573,071.21. The Department of Revenue did not request that any additional funds to be added to the Litigation Expense Fund for FYE 2023. The amount of approved expenses for the first quarter totaled \$4,388.49, leaving a balance of \$568,682.72. After the approved expenses in the amount of \$1,410.39, the litigation fund stands at \$567,272.33 at the start of the third quarter of the 2023 fiscal year.

The funds expended for the second quarter involved various matters handled by this office that pertained to a variety of central assessment valuation issues, including work related to six active appeals, including coordination with outside counsel, review of discovery requests and related work. The Department expects to incur costs in the third quarter of the 2023 fiscal year related to these appeals, including work with outside counsel and expert witnesses, and the review and consideration of a variety of other central assessment valuation issues, particularly pipeline issues. Expenses necessary to cover these and other matters are not expected to exceed \$175,000 for the third quarter of the 2023 fiscal year.

The Department, therefore, requests authorization to expend \$175,000 from the Litigation Expense Fund in order to cover estimated expenses for the third quarter of the 2023 fiscal year.

Sincerely,

Sam Langholz
Chief Deputy Attorney General

cc: Julie Roisen

BRENNA BIRD
ATTORNEY GENERAL

STEPHEN P. SULLIVAN
ASSISTANT ATTORNEY GENERAL



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IOWA DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

To: Samuel P. Langholz
From: Stephen P. Sullivan *SPS*
Re: Executive Council Approval for Litigation Expense Fund
Date: February 7, 2023

Iowa Code section 441.73 established a litigation expense fund for litigation expenses incurred by the state to defend property valuations established by the Director of Revenue under section 428.24 and chapters 433, 434, 437, 437A, 437B, and 438, and for the payment of litigation expenses incurred by the state to defend the imposition of replacement taxes and statewide property taxes under chapters 437A and 437B. As required by Iowa Code section 441.73, the Executive Council is to receive a report from the Department of Revenue regarding expenditures from the litigation expense fund for the second quarter of FYE June 30, 2023. This report details the amount expended in the second quarter of the 2023 fiscal year and seeks approval to expend amounts for the third quarter of the 2023 fiscal year.

The amount expended from the approved expenses through the second quarter of the 2023 fiscal year is as follows:

October 1 through December 31	\$1,410.39
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The litigation expense fund had a balance of \$573,071.21 at the start of FYE 2023. The Department of Revenue did not request any additional funds to be added to the litigation expense fund for FYE 2023. A total of \$4,388.49 was expended from the fund during the first quarter of FYE 2023, leaving a balance of \$568,682.72. After the second quarter of FYE 2023 expenses in the amount of \$1,410.39, the balance of the litigation expense fund is \$567,272.33.

The funds expended for the second quarter involved various matters handled by this office that pertained to a variety of central assessment valuation issues, including work related to six active appeals, including coordination with outside counsel, review of discovery requests, and related work. The Department expects to incur costs in the third quarter of the 2023 fiscal year related to these appeals, including work with outside counsel and expert witnesses, and the review and consideration of a variety of other central assessment valuation issues, particularly pipeline issues. Expenses necessary to cover these and other matters

are not expected to exceed \$175,000.00 for the third quarter of the 2023 fiscal year.

Based on the above, the Department of Revenue requests authority from the Executive Council to expend \$175,000.00 from the litigation expense fund to cover potential expenses for the third quarter of the 2023 fiscal year.