

An owner of farmland used in a farm operation, as defined in section 352.2, who complies with the requirements of this chapter shall not be held responsible for any damages to an underground facility, including fiber optic cable, if the damage occurred on the farmland in the normal course of the farm operation, unless the owner intentionally damaged the underground facility or acted with wanton disregard or recklessness in causing the damage to the underground facility. For purposes of this section, an "owner" includes a family member, employee, or tenant of the owner.

Sec. 60. Section 546.7, Code 1995, is amended to read as follows:

**546.7 UTILITIES DIVISION.**

The utilities division shall regulate and supervise public utilities operating in the state. The division shall enforce and implement chapters 476, 476A, 477C, 478, 479, and 479A, and 479B and shall perform other duties assigned to it by law. The division is headed by the administrator of public utilities who shall be appointed by the governor pursuant to section 474.1.

Sec. 61. **EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 62. **RETROACTIVE APPLICABILITY.** The sections of this Act which create new sections 479B.17, 479B.25, and 479B.29 through 479B.31 are retroactive to July 1, 1993.

Approved May 26, 1995

---

## CHAPTER 193

### FRANCHISE TAX ON FINANCIAL INSTITUTIONS

#### S.F. 478

**AN ACT** relating to the state franchise tax imposed on financial institutions by disallowing the deduction for expenses related to a financial institution's investment in investment subsidiaries and providing applicability dates.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 422.61, subsection 2, Code 1995, is amended by adding the following new paragraph:

**NEW PARAGRAPH.** f. A deduction shall not be allowed for that portion of the taxpayer's expenses computed under this paragraph which is allocable to an investment in an investment subsidiary. The portion of the taxpayer's expenses which is allocable to an investment in an investment subsidiary is an amount which bears the same ratio to the taxpayer's expenses as the taxpayer's average adjusted basis, as computed pursuant to section 1016 of the Internal Revenue Code, of investment in that investment subsidiary bears to the average adjusted basis for all assets of the taxpayer. The portion of the taxpayer's expenses that is computed and disallowed under this paragraph shall be added.

Sec. 2. Section 422.61, Code 1995, is amended by adding the following new subsection:

**NEW SUBSECTION.** 1A. "Investment subsidiary" means an affiliate that is owned, capitalized, or utilized by a financial institution with one of its purposes being to make, hold, or manage, for and on behalf of the financial institution, investments in securities which the financial institution would be permitted by applicable law to make for its own account.

Sec. 3. This Act applies retroactively to January 1, 1995, for tax years beginning on or after that date. However, the retroactive application of this Act applies only to financial institutions that have an investment in an investment subsidiary on or after July 1, 1995.

Approved May 26, 1995

---

**CHAPTER 194**  
STATE COLLECTION OF TAXES AND DEBTS  
H.F. 549

**AN ACT** relating to the collection of taxes and debts owed to or collected by the state, including the renewal of registrations, the publication of information pertaining to certain taxes and debts, providing for an administrative levy to seize certain accounts of a debtor, the denial, revocation, suspension, or renewal of licenses authorized by the state, redistributing collected amounts, creating a driver's license indebtedness clearance pilot project, and other related matters, and providing an effective date.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 321.20, subsection 1, Code 1995, is amended to read as follows:

1. The name, social security number ~~if available~~, motor vehicle license number, date of birth, bona fide residence and mailing address of the owner ~~or if~~. If the owner is a firm, association, or corporation, the application shall contain the business address and federal employer identification number of the owner if available.

Sec. 2. Section 321.30, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 12. The department or the county treasurer knows that an applicant for renewal of a registration has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state, from information received pursuant to section 421.17. An applicant may contest this action by requesting a contested case proceeding from the agency that referred the debt for collection pursuant to section 421.17. This subsection shall apply only to a renewal of registration and shall not apply to the issuance of an original registration or to the issuance of a certificate of title.

Sec. 3. Section 321.31, subsection 1, Code 1995, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The director shall maintain a records system of delinquent accounts owed to the state using information provided through the computerized data bank established in section 421.17. The department and county treasurers shall use the information maintained in the records system to determine if applicants for renewal of registration have delinquent accounts, charges, fees, loans, taxes, or other indebtedness owed to or being collected by the state as provided pursuant to section 421.17. The director and the director of revenue and finance shall establish procedures for updating the delinquent accounts records to add and remove accounts, as applicable.

Sec. 4. Section 321.40, Code 1995, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 5:

NEW UNNUMBERED PARAGRAPH. The county treasurer shall refuse to renew the registration of a vehicle registered to the applicant if the county treasurer knows that the applicant has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to