

**PARAGRAPH DIVIDED.** For purposes of this subsection, gross taxable services from rental includes rents, royalties, and copyright and license fees. For purposes of this subsection, "lobbying service" means the rendering, furnishing or performing, for a fee, salary or other compensation, activities which are intended or used for the purpose of encouraging the passage, defeat, or modification of legislation or for influencing the decision of the members of a legislative committee or subcommittee or the representing, for a fee, salary or other compensation, on a regular basis an organization which has as one of its purposes the encouragement of the passage, defeat or modification of legislation or the influencing of the decision of the members of a legislative committee or a subcommittee. "Lobbying service" does not include the activities of a federal, state, or local government official or employee acting within the course of the official's or employee's duties or a representative of the news media engaged only in the reporting and dissemination of news and editorials.

Sec. 2. Section 422A.1, unnumbered paragraph 1, Code 1987, is amended to read as follows:

A city or county may impose by ordinance of the city council or by resolution of the board of supervisors a hotel and motel tax, at a rate not to exceed seven percent, which shall be imposed in increments of one or more full percentage points upon the gross receipts from the renting of ~~any and all~~ sleeping rooms, apartments, or sleeping quarters in ~~any~~ a hotel, motel, inn, public lodging house, rooming house, mobile home which is tangible personal property, or tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals; except the gross receipts from the renting of sleeping rooms in dormitories and in memorial unions at all universities and colleges located in the state of Iowa. The tax when imposed by a city shall apply only within the corporate boundaries of that city and when imposed by a county shall apply only outside incorporated areas within that county. "Renting" and "rent" include any kind of direct or indirect charge for such sleeping rooms, apartments, or sleeping quarters, or the their use thereof. However, ~~such the tax shall~~ does not apply to the gross receipts from the renting of a sleeping room, apartment, or sleeping quarters while rented by the same person for a period of more than thirty-one consecutive days.

Approved May 20, 1987

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## CHAPTER 137

### DEBT COLLECTION PRACTICES AND CIVIL ACTIONS

*H.F. 655*

**AN ACT** relating to civil actions by removing the one hundred mile limit on subpoenas to witnesses in civil cases, by limiting the award of lost time and transportation costs in small claims actions, and by requiring actions to be brought in small claims court in a court having actual jurisdiction.

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

Section 1. Section 622.66, Code 1987, is amended to read as follows:

**622.66 HOW FAR COMPELLED TO ATTEND.**

Witnesses in civil cases cannot be compelled to attend the district or ~~superior~~ appellate court out of the state where they are served, ~~nor at a distance of more than one hundred miles from the place of their residence, or from that where they are served with a subpoena, unless within the same county.~~

Sec. 2. Section 625.22, Code 1987, is amended to read as follows:

**625.22 ATTORNEY'S FEES — COSTS.**

When judgment is recovered upon a written contract containing an agreement to pay an

attorney's fee, the court shall allow and tax as a part of the costs a reasonable attorney's fee to be determined by the court.

In an action against the maker to recover payment on a dishonored check or draft, as defined in section 554.3104, the plaintiff, if successful, may recover, in addition to all other costs or surcharges provided by law, all court costs incurred, including a reasonable attorney's fee, or an individual's cost of processing a small claims recovery such as lost time and transportation costs from the maker of the check or draft. However, lost time and transportation costs of an assignee shall not be awarded under section 631.14 to a person who in the regular course of business takes assignments of instruments or accounts pursuant to chapter 539. Only actual out-of-pocket expenses incurred in obtaining the small claim recovery may be awarded to the assignee. Any such additional charges shall be determined by the court. If the defendant is successful in the action and the court determines the action was frivolous, the court may award the defendant reasonable attorney's fees.

Sec. 3. Section 537.7102, subsection 1, Code 1987, is amended to read as follows:

1. "Debt" means an actual or alleged obligation arising out of a consumer credit transaction, or a transaction which would have been a consumer credit transaction either if a finance charge was made, if the obligation was not payable in installments, if a lease was for a term of four months or less, or if a lease was of an interest in land. A debt includes a check as defined in section 554.3104 given in a transaction which was a consumer credit sale or in a transaction which would have been a consumer credit sale if credit was granted and if a finance charge was made.

Sec. 4. Section 537.7103, subsection 5, paragraph c, Code 1987, is amended to read as follows:

c. The collection of or the attempt to collect from the debtor a part or all of the debt collector's fee for services rendered, unless the both of the following are applicable:

- (1) The fee is reasonably related to the actions taken by the debt collector.
- (2) The debt collector is legally entitled to collect the fee from the debtor.

Sec. 5. Section 631.14, Code 1987, is amended to read as follows:

#### 631.14 REPRESENTATION IN SMALL CLAIMS ACTIONS.

Actions constituting small claims may be brought or defended by an individual, partnership, association, corporation, or other entity. In actions in which a person other than an individual is a party, that person may be represented by an officer or an employee. A person who in the regular course of business takes assignments of instruments or accounts pursuant to chapter 539, which assignments constitute small claims, may bring an action on an assigned instrument or account in the person's own name and need not be represented by an attorney, provided that in an action brought to recover payment on a dishonored check or draft, as defined in section 554.3104, the action is brought in the county of residence of the maker of the check or draft or in the county where the draft or check was first presented. Any person, however, may be represented in a small claims action by an attorney.

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