

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 5, 2011

Introduced by M. of A. GIBSON -- read once and referred to the Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the general business law and the civil practice law and rules, in relation to process servers

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 89-t of the general business law, as added by chap-  
2 ter 397 of the laws of 1973 and as redesignated by chapter 336 of the  
3 laws of 1992, is amended to read as follows:

4 S 89-t. Definitions. 1. For this article, a "process server" is a  
5 person other than an attorney or a party to an action acting on his own  
6 behalf who: (a) derives income from the service of papers in an action;  
7 or (b) has effected service of process in five or more actions or  
8 proceedings in the twelve month period immediately preceding the service  
9 in question. A person who serves interlocutory papers upon an attorney  
10 or who serves papers on behalf of a federal, state or local governmental  
11 agency in the course of his employment by such agency shall not be  
12 deemed a process server within the meaning of this article by virtue of  
13 such service. FOR THE PURPOSES OF THIS CHAPTER THE SERVICE OF FIVE OR  
14 MORE PROCESS IN ANY ONE YEAR SHALL BE DEEMED TO CONSTITUTE DOING BUSI-  
15 NESS AS A PROCESS SERVER.

16 2. "DEPARTMENT" SHALL MEAN DEPARTMENT OF STATE.

17 3. "SECRETARY" SHALL MEAN SECRETARY OF STATE.

18 S 2. Article 8 of the general business law is amended by adding a new  
19 section 89-w to read as follows:

20 S 89-w. PROCESS SERVER, LICENSING, PENALTIES. 1. ISSUANCE, RENEWAL,  
21 SUSPENSION AND REVOCATION OF A LICENSE. ON OR AFTER OCTOBER FIRST, TWO  
22 THOUSAND ELEVEN, NO PERSON SHALL ACT AS A PROCESS SERVER WITHOUT FIRST  
23 HAVING OBTAINED A LICENSE IN ACCORDANCE WITH THE PROVISIONS OF THIS

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 ARTICLE, AND WITHOUT FIRST BEING IN COMPLIANCE WITH ALL OTHER APPLICABLE  
2 LAWS, RULES AND REGULATIONS.

3 2. (A) ALL LICENSES ISSUED PURSUANT TO THIS ARTICLE SHALL BE VALID FOR  
4 TWO YEARS UNLESS SOONER SUSPENDED OR REVOKED. THE SECRETARY SHALL ESTAB-  
5 LISH BY REGULATION THE EXPIRATION DATE OF SUCH LICENSES.

6 (B) THE FEE FOR A LICENSE OR RENEWAL THEREOF SHALL BE FIVE HUNDRED  
7 DOLLARS.

8 3. (A) EACH PERSON APPLYING FOR A PROCESS SERVER LICENSE OR RENEWAL  
9 THEREOF SHALL FILE AN APPLICATION IN SUCH FORM AND DETAIL AS THE SECRE-  
10 TARY MAY PRESCRIBE AND SHALL PAY THE FEE REQUIRED BY THIS SECTION.

11 (B) IN ADDITION TO ANY OTHER INFORMATION REQUIRED, THE SECRETARY SHALL  
12 REQUIRE THE FOLLOWING INFORMATION, AND SHALL, AS APPROPRIATE, REQUIRE  
13 SUCH INFORMATION NOT ONLY OF THE APPLICANT BUT ALSO OF ANY OF ITS PRIN-  
14 CIPALS, PARTNERS, OFFICERS AND DIRECTORS, OR ANY PERSON OR ENTITY  
15 CONTROLLING AN INTEREST GREATER THAN TEN PERCENT:

16 (I) THE NAME AND RESIDENCE ADDRESS OF THE APPLICANT;

17 (II) THE BUSINESS NAME, IF OTHER THAN APPLICANT;

18 (III) THE PLACE, INCLUDING THE CITY, TOWN OR VILLAGE, WITH THE STREET  
19 AND NUMBER, WHERE THE BUSINESS IS TO BE LOCATED;

20 (IV) THE BUSINESS TELEPHONE OF THE APPLICANT;

21 (V) THE LENGTH OF TIME THAT THE APPLICANT HAS BEEN A PROCESS SERVER;

22 (VI) A STATEMENT INDICATING WHETHER THE APPLICANT HAS:

23 (A) BEEN CONVICTED OF ANY CRIME OR IS A DEBTOR ON ANY UNPAID CIVIL  
24 JUDGMENT RELATING TO WORK AS A PROCESS SERVER; AND

25 (B) AT ANY TIME IN THE PAST BEEN ISSUED A LICENSE PURSUANT TO THIS  
26 ARTICLE, OR HAS BEEN ISSUED A LICENSE FOR PROCESS SERVING ACTIVITIES BY  
27 ANY OTHER STATE OR LOCAL AUTHORITY, AND IF SO, WHETHER SUCH LICENSE WAS  
28 EVER REVOKED OR SUSPENDED;

29 (VII) A DETAILED DESCRIPTION OF THE BUSINESS PRACTICES OR METHODS  
30 USED, OR INTENDED TO BE USED, BY THE APPLICANT TO CONFIRM THAT THE  
31 ACTIONS OF ITS EMPLOYEES ARE IN COMPLIANCE WITH APPLICABLE LAWS, IN  
32 PARTICULAR WITH REGARD TO EMPLOYEES CARRYING OUT THE NEW YORK REQUIRE-  
33 MENTS OF SERVICE OF PROCESS AS SET FORTH IN THE CIVIL PRACTICE LAW AND  
34 RULES;

35 (VIII) AN APPLICANT WHO IS A NON-RESIDENT OF THE STATE SHALL PROVIDE  
36 THE NAME AND ADDRESS OF A REGISTERED AGENT WITHIN THE STATE OR DESIGNATE  
37 THE SECRETARY AS HIS OR HER AGENT UPON WHOM PROCESS OR OTHER NOTIFICA-  
38 TION MAY BE SERVED.

39 4. IN DETERMINING WHETHER TO ISSUE OR RENEW A LICENSE, THE SECRETARY  
40 SHALL CONSIDER THE CHARACTER, COMPETENCY AND INTEGRITY OF THE APPLICANT.  
41 THE SECRETARY MAY REFUSE TO ISSUE OR RENEW A LICENSE TO ANY PERSON, FIRM  
42 OR CORPORATION WHOM HE OR SHE FINDS HAS: BEEN CONVICTED OF ANY CRIME  
43 DEFINED IN ARTICLE ONE HUNDRED FIFTY-FIVE OF THE PENAL LAW OR ARTICLE  
44 TWENTY-TWO-A OF THIS CHAPTER OR FAILED TO PAY ANY FINAL CIVIL JUDGMENT  
45 RELATING TO WORK AS A PROCESS SERVER, IF SUCH REFUSAL, IN THE JUDGMENT  
46 OF THE SECRETARY, BEST PROMOTES THE INTERESTS OF THE PEOPLE OF THIS  
47 STATE.

48 5. NOTICE IN WRITING IN THE MANNER AND FORM PRESCRIBED BY THE DEPART-  
49 MENT SHALL BE GIVEN TO THE DEPARTMENT AT ITS OFFICES IN ALBANY WITHIN  
50 TEN DAYS OF CHANGES OF NAME OR ADDRESS BY LICENSED PROCESS SERVER. THE  
51 FEE FOR FILING EACH CHANGE OF NAME OR ADDRESS NOTICE SHALL BE TEN  
52 DOLLARS.

53 6. THE FEES ESTABLISHED BY THIS SECTION SHALL NOT BE REFUNDABLE.

54 7. EACH PROCESS SERVER ENGAGED IN SERVING PROCESS SHALL COMMUNICATE  
55 HIS OR HER LICENSE NUMBER UPON THE REQUEST OF ANY INTERESTED PARTY. ANY  
56 ADVERTISEMENT, LETTERHEAD, RECEIPT OR OTHER PRINTED MATTER OF A LICENSEE

1 MUST CONTAIN THE LICENSE NUMBER ASSIGNED TO THE LICENSEE BY THE DEPART-  
2 MENT. SUCH LICENSE NUMBER SHALL BE CLEARLY AND CONSPICUOUSLY DISPLAYED.

3 8. NO PERSON, FIRM OR CORPORATION SHALL: (A) PRESENT, OR ATTEMPT TO  
4 PRESENT, AS HIS, HER OR ITS OWN, THE LICENSE NUMBER OF ANOTHER;

5 (B) KNOWINGLY GIVE FALSE EVIDENCE OF A MATERIAL NATURE TO THE DEPART-  
6 MENT FOR THE PURPOSE OF PROCURING A LICENSE;

7 (C) FALSELY REPRESENT THEMSELVES TO BE A LICENSED PROCESS SERVER;

8 (D) USE OR ATTEMPT TO USE A LICENSE WHICH HAS EXPIRED;

9 (E) OFFER TO PERFORM OR PERFORM ANY SERVICE OF PROCESS WITHOUT HAVING  
10 A CURRENT LICENSE AS IS REQUIRED UNDER THIS ARTICLE; OR

11 (F) REPRESENT IN ANY MANNER THAT HIS, HER OR ITS LICENSE CONSTITUTES  
12 AN ENDORSEMENT OF THE QUALITY OF WORKMANSHIP OR COMPETENCY OF THE PROC-  
13 ESS SERVER.

14 9. LICENSES ISSUED TO PROCESS SERVERS SHALL NOT BE TRANSFERABLE OR  
15 ASSIGNABLE.

16 10. THE SECRETARY SHALL ISSUE EACH PROCESS SERVER A UNIQUE LICENSE  
17 NUMBER.

18 11. THE SECRETARY SHALL MAINTAIN AND PUBLISH A REGISTRY OF ALL  
19 LICENSED PROCESS SERVERS WHICH SHALL LIST AND IDENTIFY, ALL LICENSED  
20 PROCESS SERVERS DOING BUSINESS IN THIS STATE. THE SECRETARY SHALL MAKE  
21 THE REGISTRY AVAILABLE ON ITS WEBSITE. (A) THE SECRETARY SHALL ADOPT  
22 SUCH RULES AND REGULATIONS AS HE OR SHE MAY DETERMINE ARE NECESSARY FOR  
23 THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE, AND SHALL PROVIDE  
24 WRITTEN NOTIFICATION OF THE PROVISIONS OF THIS ARTICLE TO ALL PROCESS  
25 SERVERS LICENSED PURSUANT TO THIS ARTICLE;

26 (B) IN ADDITION TO ANY OTHER POWERS OF THE SECRETARY, NOT IN LIMITA-  
27 TION THEREOF, HE OR SHE SHALL HAVE THE POWER TO ENFORCE THE PROVISIONS  
28 OF THIS ARTICLE, TO INVESTIGATE ANY VIOLATION THEREOF, TO INVESTIGATE  
29 THE BUSINESS, BUSINESS PRACTICES AND BUSINESS METHODS OF ANY PROCESS  
30 SERVER, AND TO CONDUCT ROUTINE EXAMINATIONS OF THE FINANCIAL SOLVENCY OF  
31 ANY PROCESS SERVER, IF IN THE OPINION OF THE SECRETARY, SUCH INVESTI-  
32 GATION OR EXAMINATION IS WARRANTED. EACH PROCESS SERVER SHALL BE  
33 OBLIGED, ON REQUEST OF THE SECRETARY OF STATE, TO SUPPLY SUCH INFORMA-  
34 TION, BOOKS, PAPERS OR RECORDS AS MAY BE REQUIRED CONCERNING HIS, HER OR  
35 ITS BUSINESS, BUSINESS PRACTICES OR BUSINESS METHODS, OR PROPOSED BUSI-  
36 NESS PRACTICES OR METHODS. FAILURE TO COMPLY WITH A LAWFUL REQUEST OF  
37 THE SECRETARY SHALL BE A GROUND FOR DENYING AN APPLICATION FOR A  
38 LICENSE, OR FOR REVOKING, SUSPENDING, OR FAILING TO RENEW A LICENSE  
39 ISSUED UNDER THIS ARTICLE;

40 (C) THE DEPARTMENT SHALL HAVE THE POWER TO REVOKE OR SUSPEND ANY  
41 LICENSE, OR IN LIEU THEREOF TO IMPOSE A FINE NOT LESS THAN ONE HUNDRED  
42 DOLLARS NOR MORE THAN TWO THOUSAND DOLLARS PER VIOLATION OR INSTANCE,  
43 PAYABLE TO THE DEPARTMENT, OR REPRIMAND ANY LICENSEE OR DENY AN APPLICA-  
44 TION FOR A LICENSE OR RENEWAL THEREOF UPON PROOF:

45 (I) THAT THE APPLICANT OR LICENSEE HAS VIOLATED ANY OF THE PROVISIONS  
46 OF THIS ARTICLE OR THE RULES AND REGULATIONS PROMULGATED PURSUANT TO  
47 THIS ARTICLE;

48 (II) THAT THE APPLICANT OR LICENSEE HAS PRACTICED FRAUD, DECEIT OR  
49 MISREPRESENTATION;

50 (III) THAT THE APPLICANT OR LICENSEE HAS MADE A MATERIAL MISSTATEMENT  
51 IN THE APPLICATION FOR OR RENEWAL OF HIS OR HER LICENSE; OR

52 (IV) THAT THE APPLICANT OR LICENSEE HAS DEMONSTRATED INCOMPETENCE OR  
53 UNTRUSTWORTHINESS IN HIS OR HER ACTIONS.

54 12. THE DEPARTMENT SHALL BEFORE DENYING AN APPLICATION FOR A LICENSE  
55 OR BEFORE REVOKING OR SUSPENDING ANY LICENSE, OR IMPOSING ANY FINE OR  
56 REPRIMAND, AND AT LEAST FIFTEEN DAYS PRIOR TO THE DATE SET FOR THE HEAR-

1 ING, AND UPON DUE NOTICE TO THE COMPLAINANT OR OBJECTOR, NOTIFY IN WRIT-  
2 ING THE APPLICANT, OR THE HOLDER OF SUCH LICENSE, OF ANY CHARGE MADE AND  
3 SHALL AFFORD SUCH APPLICANT OR LICENSEE AN OPPORTUNITY TO BE HEARD IN  
4 PERSON OR BY COUNSEL IN REFERENCE THERETO. SUCH WRITTEN NOTICE MAY BE  
5 SERVED PERSONALLY TO THE APPLICANT OR LICENSEE, OR BY CERTIFIED MAIL TO  
6 THE LAST KNOWN BUSINESS ADDRESS OF SUCH APPLICANT OR LICENSEE.

7 13. THE HEARING ON SUCH CHARGES SHALL BE AT SUCH TIME AND PLACE AS THE  
8 DEPARTMENT SHALL PRESCRIBE AND SHALL BE CONDUCTED BY SUCH OFFICER OR  
9 PERSON IN THE DEPARTMENT AS THE SECRETARY MAY DESIGNATE, WHO SHALL HAVE  
10 THE POWER TO SUBPOENA AND BRING BEFORE THE OFFICER, OR PERSON SO DESIG-  
11 NATED, ANY PERSON IN THIS STATE AND ADMINISTER AN OATH TO AND TAKE  
12 TESTIMONY OF ANY PERSON OR CAUSE HIS OR HER DEPOSITION TO BE TAKEN. A  
13 SUBPOENA ISSUED UNDER THIS SECTION SHALL BE REGULATED BY THE CIVIL PRACTICE  
14 LAW AND RULES. SUCH OFFICER OR PERSON IN THE DEPARTMENT DESIGNATED  
15 TO TAKE SUCH TESTIMONY SHALL NOT BE BOUND BY COMMON LAW OR STATUTORY  
16 RULES OF EVIDENCE OR BY TECHNICAL OR FORMAL RULES OF PROCEDURE.

17 14. IN THE EVENT THAT THE DEPARTMENT SHALL DENY THE APPLICATION FOR,  
18 OR REVOKE OR SUSPEND ANY SUCH LICENSE, OR IMPOSE ANY FINE OR REPRIMAND,  
19 ITS DETERMINATION SHALL BE IN WRITING AND OFFICIALLY SIGNED. THE  
20 ORIGINAL OF SUCH DETERMINATIONS, WHEN SO SIGNED, SHALL BE FILED IN THE  
21 OFFICE OF THE DEPARTMENT AND COPIES THEREOF SHALL BE MAILED TO THE  
22 APPLICANT OR LICENSEE AND TO THE COMPLAINANT WITHIN TWO DAYS AFTER SUCH  
23 FILING.

24 15. THE DEPARTMENT, ACTING BY THE OFFICE OR PERSON DESIGNATED TO  
25 CONDUCT THE HEARING PURSUANT TO SUBDIVISION THIRTEEN OF THIS SECTION OR  
26 BY SUCH OTHER OFFICER OR PERSON IN THE DEPARTMENT AS THE SECRETARY OF  
27 STATE MAY DESIGNATE, SHALL HAVE THE POWER TO SUSPEND THE LICENSE OF ANY  
28 LICENSEE WHO HAS BEEN CONVICTED IN THIS STATE OR ANY OTHER STATE OR  
29 TERRITORY OF A FELONY OR OF ANY MISDEMEANOR FOR A PERIOD NOT EXCEEDING  
30 THIRTY DAYS PENDING A HEARING AND A DETERMINATION OF CHARGES MADE  
31 AGAINST HIM OR HER. IF SUCH HEARING IS ADJOURNED AT THE REQUEST OF THE  
32 LICENSEE, OR BY REASON OF ANY ACT OR OMISSION BY HIM OR HER OR ON HIS OR  
33 HER BEHALF, SUCH SUSPENSION MAY BE CONTINUED FOR THE ADDITIONAL PERIOD  
34 OF SUCH ADJOURNMENT.

35 16. THE ACTION OF THE DEPARTMENT IN GRANTING OR REFUSING TO GRANT OR  
36 TO RENEW A LICENSE UNDER THIS ARTICLE OR IN REVOKING OR SUSPENDING OR  
37 REFUSING TO REVOKE OR SUSPEND SUCH A LICENSE OR IMPOSING ANY FINE OR  
38 REPRIMAND SHALL BE SUBJECT TO REVIEW BY A PROCEEDING INSTITUTED UNDER  
39 ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES AT THE  
40 INSTANCE OF THE APPLICANT FOR SUCH LICENSE, THE HOLDER OF A LICENSE SO  
41 REVOKED, SUSPENDED, FINED OR REPRIMANDED.

42 17. FOR THE PURPOSE OF THIS ARTICLE, LICENSEES MAY BE HELD RESPONSIBLE  
43 FOR STATEMENTS, REPRESENTATIONS, PROMISES OR ACTS OF THEIR EMPLOYEES OR  
44 THEIR AGENTS WITHIN THE SCOPE OF THEIR AUTHORITY; PROVIDED, HOWEVER,  
45 THAT LICENSEES SHALL NOT BE HELD RESPONSIBLE FOR STATEMENTS, REPRESENTA-  
46 TIONS, PROMISES OR ACTS WHICH ARE CONTRARY TO INSTRUCTIONS OR WHICH  
47 CONSTITUTE GROSS NEGLIGENCE OR INTENTIONAL TORTS UNLESS SPECIFICALLY  
48 AUTHORIZED BY THE LICENSEE. (A) ANY PERSON, FIRM OR CORPORATION THAT  
49 OPERATES AS A PROCESS SERVER WITHOUT A LICENSE SHALL BE REQUIRED TO PAY  
50 A CIVIL PENALTY TO THE DEPARTMENT OF NOT MORE THAN FIVE HUNDRED DOLLARS  
51 PER ATTEMPT TO SERVE PROCESS IN VIOLATION OF THIS SECTION;

52 (B) IN ADDITION TO ANY OTHER PENALTIES, IF A PERSON IS FOUND TO HAVE  
53 COMMITTED REPEATED, MULTIPLE OR PERSISTENT VIOLATIONS OF ANY PROVISION  
54 OF THIS ARTICLE, SUCH PERSON MAY BE RESPONSIBLE FOR THE COST OF THE  
55 DEPARTMENT'S INVESTIGATION.

1 18. (A) AS A CONDITION OF OBTAINING A LICENSE PURSUANT TO THIS ARTI-  
2 CLE, EVERY PROCESS SERVER APPLICANT WHO IS APPLYING FOR A LICENSE AND  
3 EMPLOYS BETWEEN ONE AND FOUR INDIVIDUALS ENGAGED IN THE SERVICE OF PROC-  
4 ESS SHALL OBTAIN AND CONTINUE IN FULL FORCE AND EFFECT A BOND, CONTRACT  
5 OF INDEMNITY, OR IRREVOCABLE LETTER OF CREDIT IN THE AMOUNT OF TEN THOU-  
6 SAND DOLLARS TO BE FILED WITH THE SECRETARY;

7 (B) AS A CONDITION TO OBTAINING A LICENSE PURSUANT TO THIS ARTICLE,  
8 EVERY PROCESS SERVER APPLICANT WHO IS APPLYING FOR A LICENSE AND EMPLOYS  
9 BETWEEN FIVE AND NINE INDIVIDUALS ENGAGED IN THE SERVICE OF PROCESS  
10 SHALL OBTAIN AND CONTINUE IN FULL FORCE AND EFFECT A BOND, CONTRACT OF  
11 INDEMNITY, OR IRREVOCABLE LETTER OF CREDIT IN THE AMOUNT OF TWENTY-FIVE  
12 THOUSAND DOLLARS TO BE FILED WITH THE SECRETARY A CONDITION TO OBTAINING  
13 A LICENSE PURSUANT TO THIS ARTICLE, EVERY PROCESS SERVER APPLICANT WHO  
14 IS APPLYING FOR A LICENSE AND EMPLOYS BETWEEN TEN AND TWENTY INDIVIDUALS  
15 ENGAGED IN THE SERVICE OF PROCESS SHALL OBTAIN AND CONTINUE IN FULL  
16 FORCE AND EFFECT A BOND, CONTRACT OF INDEMNITY, OR IRREVOCABLE LETTER OF  
17 CREDIT IN THE AMOUNT OF FIFTY THOUSAND DOLLARS TO BE FILED WITH THE  
18 SECRETARY;

19 (C) AS A CONDITION TO OBTAINING A LICENSE PURSUANT TO THIS ARTICLE,  
20 EVERY PROCESS APPLICANT WHO IS APPLYING FOR A LICENSE AND EMPLOYS TWENTY  
21 OR MORE INDIVIDUALS ENGAGED IN THE SERVICE OF PROCESS SHALL OBTAIN AND  
22 CONTINUE IN FULL FORCE AND EFFECT A BOND, CONTRACT OF INDEMNITY, OR  
23 IRREVOCABLE LETTER OF CREDIT, IN THE AMOUNT OF SEVENTY-FIVE THOUSAND  
24 DOLLARS TO BE FILED WITH THE SECRETARY;

25 (D) SUCH SURETY BOND, CONTRACT OF INDEMNITY, OR IRREVOCABLE LETTER OF  
26 CREDIT SHALL BE CONDITIONED THAT THE APPLICANT WILL COMPLY WITH THIS  
27 ARTICLE, ARTICLE TWENTY-NINE-H, AND ARTICLE TWENTY-NINE-HH OF THIS CHAP-  
28 TER AND PAY ALL CIVIL PENALTIES, FINES, OR OTHER OBLIGATIONS IMPOSED BY  
29 THE SECRETARY OR A COURT OF LAW, INVESTIGATORY COSTS REQUIRED TO BE  
30 PAID, OR ANY FINAL JUDGMENT AGAINST THE LICENSEE PURSUANT TO SUCH ARTI-  
31 CLES;

32 (E) THE TOTAL LIABILITY IMPOSED ON THE SURETY BOND UNDER THIS SECTION  
33 FOR ALL BREACHES OF THE BOND CONDITION IS LIMITED TO THE FACE AMOUNT OF  
34 THE BOND. SUCH LIABILITY IS LIMITED TO THE AMOUNT OF THE PENALTY OR  
35 INVESTIGATORY COSTS. IN NO EVENT WILL THE SURETY ON A BOND BE LIABLE FOR  
36 TOTAL CLAIMS IN EXCESS OF THE BOND AMOUNT, REGARDLESS OF THE NUMBER OR  
37 NATURE OF CLAIMS MADE AGAINST THE BOND OR THE NUMBER OF YEARS THE BOND  
38 REMAINED IN FORCE;

39 (F) ANY SURETY ISSUING A BOND PURSUANT TO THIS SECTION AND ANY LICEN-  
40 SEE SHALL BE REQUIRED TO PROVIDE THIRTY DAYS NOTICE TO THE SECRETARY  
41 PRIOR TO THE EFFECTIVE DATE OF CANCELLATION OF THE BOND. THE FAILURE TO  
42 MAINTAIN SUCH A BOND SHALL OPERATE TO REVOKE THE LICENSE OF THE PROCESS  
43 SERVER UPON NOTICE AND HEARING.

44 19. (A) WHEREVER THERE SHALL BE A VIOLATION OF THIS ARTICLE, AN APPLI-  
45 CATION MAY BE MADE BY THE ATTORNEY GENERAL IN THE NAME OF THE PEOPLE OF  
46 THE STATE OF NEW YORK TO A COURT OR JUSTICE HAVING JURISDICTION BY A  
47 SPECIAL PROCEEDING TO ISSUE AN INJUNCTION, AND UPON NOTICE TO THE  
48 DEFENDANT OF NOT LESS THAN FIVE DAYS, TO ENJOIN OR RESTRAIN THE CONTIN-  
49 UANCE OF SUCH VIOLATION; AND IF IT SHALL APPEAR TO THE SATISFACTION OF  
50 THE COURT OR JUSTICE THAT THE DEFENDANT HAS, IN FACT, VIOLATED THIS  
51 SECTION, AN INJUNCTION MAY BE ISSUED BY SUCH COURT OR JUSTICE, ENJOINING  
52 AND RESTRAINING ANY FURTHER VIOLATION, WITHOUT REQUIRING PROOF THAT ANY  
53 PERSON HAS, IN FACT, BEEN INJURED OR DAMAGED THEREBY. IN ANY SUCH  
54 PROCEEDING, THE COURT MAY MAKE ALLOWANCES TO THE ATTORNEY GENERAL AS  
55 PROVIDED IN PARAGRAPH SIX OF SUBDIVISION (A) OF SECTION EIGHTY-THREE  
56 HUNDRED THREE OF THE CIVIL PRACTICE LAW AND RULES, AND DIRECT RESTITU-

1 TION. WHENEVER THE COURT SHALL DETERMINE THAT A VIOLATION OF THIS  
2 SECTION HAS OCCURRED, THE COURT MAY IMPOSE A CIVIL PENALTY OF NOT LESS  
3 THAN ONE HUNDRED DOLLARS NOR MORE THAN TEN THOUSAND DOLLARS FOR EACH  
4 VIOLATION. IN CONNECTION WITH ANY SUCH PROPOSED APPLICATION, THE ATTOR-  
5 NEY GENERAL IS AUTHORIZED TO TAKE PROOF AND MAKE A DETERMINATION OF THE  
6 RELEVANT FACTS AND TO ISSUE SUBPOENAS IN ACCORDANCE WITH THE CIVIL PRACTICE  
7 LAW AND RULES;

8 (B) ANY PERSON WHO HAS BEEN INJURED BY REASON OF ANY VIOLATION OF THIS  
9 ARTICLE MAY BRING AN ACTION IN HIS OR HER OWN NAME TO ENJOIN SUCH UNLAW-  
10 FUL ACT OR PRACTICE, AN ACTION TO RECOVER HIS OR HER ACTUAL DAMAGES OR  
11 ONE THOUSAND DOLLARS, WHICHEVER IS GREATER, OR BOTH SUCH ACTIONS. THE  
12 COURT MAY, IN ITS DISCRETION, INCREASE THE AWARD OF DAMAGES TO AN AMOUNT  
13 NOT TO EXCEED THREE TIMES THE ACTUAL DAMAGES UP TO TEN THOUSAND DOLLARS,  
14 IF THE COURT FINDS THE DEFENDANT WILLFULLY VIOLATED THIS ARTICLE. IN THE  
15 CASE OF ANY SUCCESSFUL ACTION TO ENFORCE THE FOREGOING LIABILITY, THE  
16 COURT MAY AWARD THE COSTS OF THE ACTION TOGETHER WITH REASONABLE ATTOR-  
17 NEY'S FEES;

18 20. (A) THIS ARTICLE SHALL APPLY TO ALL PROCESS SERVERS, PROVIDED,  
19 HOWEVER, THAT A POLITICAL SUBDIVISION MAY IMPOSE OTHER REQUIREMENTS THAT  
20 ARE IN ADDITION TO THE MINIMUM STANDARDS SET FORTH IN THIS ARTICLE.

21 (B) THE PROVISIONS OF THIS ARTICLE SHALL NOT BE CONSTRUED TO LIMIT IN  
22 ANY WAY THE AUTHORITY OF A POLITICAL SUBDIVISION TO ENACT, IMPLEMENT AND  
23 CONTINUE TO ENFORCE LOCAL LAWS AND REGULATIONS GOVERNING PROCESS SERVERS  
24 THAT WERE IN EFFECT PRIOR TO THE EFFECTIVE DATE OF THIS ARTICLE, OR TO  
25 ENACT, IMPLEMENT AND ENFORCE ANY AMENDMENTS THERETO AFTER THE EFFECTIVE  
26 DATE OF THIS ARTICLE.

27 S 3. Subdivision (e) of rule 3015 of the civil practice law and rules,  
28 as amended by chapter 465 of the laws of 1996, is amended to read as  
29 follows:

30 (e) License to do business. Where the plaintiff's cause of action  
31 against a consumer arises from the plaintiff's conduct of a business  
32 which is required by state or local law to be licensed by the department  
33 of consumer affairs of the city of New York, the Suffolk county depart-  
34 ment of consumer affairs, the Westchester county department of consumer  
35 affairs/weight-measures, the county of Rockland, the county of Putnam  
36 [or], the Nassau county department of consumer affairs OR THE DEPARTMENT  
37 OF STATE PURSUANT TO SECTION EIGHTY-NINE-W OF THE GENERAL BUSINESS LAW,  
38 the complaint shall allege, as part of the cause of action, that plain-  
39 tiff is duly licensed and shall contain the name and number, if any, of  
40 such license and the governmental agency which issued such license;  
41 provided, however, that where the plaintiff does not have a license at  
42 the commencement of the action the plaintiff may, subject to the  
43 provisions of rule thirty hundred twenty-five of this article, amend the  
44 complaint with the name and number of an after-acquired license and the  
45 name of the governmental agency which issued such license or move for  
46 leave to amend the complaint in accordance with such provisions. The  
47 failure of the plaintiff to comply with this subdivision will permit the  
48 defendant to move for dismissal pursuant to paragraph seven of subdivi-  
49 sion (a) of rule thirty-two hundred eleven of this chapter.

50 S 4. This act shall take effect on the one hundred eightieth day after  
51 it shall have become a law; provided, however, that effective immediate-  
52 ly, the addition, amendment and/or repeal of any rule or regulation  
53 necessary for the implementation of this act on its effective date are  
54 authorized and directed to be made and completed on or before such  
55 effective date.