

8441

I N   A S S E M B L Y

January 15, 2014

---

Introduced by M. of A. OAKS -- read once and referred to the Committee  
on Judiciary

AN ACT to amend the New York city civil court act, the uniform city  
court act, the uniform district court act, the uniform justice court  
act and the tax law, in relation to notice of small claims judgments  
and indexing of unpaid claims

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

1     Section 1. Subdivisions (a) and (b) of section 1811 of the New York  
2 city civil court act, as amended by chapter 122 of the laws of 1987,  
3 paragraph 2 of subdivision (b) as amended, paragraph 6 of subdivision  
4 (b) as added, paragraph 7 of subdivision (b) as renumbered by chapter  
5 650 of the laws of 1991, are amended to read as follows:  
6     (a) Notice of judgment sent to judgment debtor shall specify that a  
7 failure to satisfy a judgment may subject the debtor to any one or  
8 combination of the following actions:  
9       1. garnishment of wage;  
10       2. garnishment of bank account;  
11       3. a lien on personal property;  
12       4. seizure and sale of real property;  
13       5. seizure and sale of personal property, including automobiles;  
14       6. suspension of motor vehicle license and registration, if claim is  
15 based on defendant's ownership or operation of a motor vehicle;  
16       7. revocation, suspension, or denial of renewal of any applicable  
17 business license or permit;  
18       8. investigation and prosecution by the attorney general for fraudu-  
19 lent or illegal business practices; [and]  
20       9. a penalty equal to three times the amount of the unsatisfied judg-  
21 ment plus attorney's fees, if there are other unpaid claims[.]; AND  
22       10. INTERCEPT OF ANY INCOME TAX REFUND OWED PURSUANT TO THE TAX LAW.  
23     (b) Notice of judgment sent to judgment creditor shall contain but not  
24 be limited to the following information:  
25       1. the claimant's right to payment within thirty days following the  
26 debtor's receipt of the judgment notice;

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

1 2. the procedures for use of section eighteen hundred twelve of this  
2 article concerning the identification of assets of the judgment debtor,  
3 including the use of information subpoenas, access to consumer credit  
4 reports and the role of sheriffs and marshals, and actions to collect  
5 three times the judgment award and attorney's fees if there are two  
6 other unsatisfied claims against the debtor;

7 3. the claimant's right to initiate actions to recover the unpaid  
8 judgment through the sale of the debtor's real property, or personal  
9 property;

10 4. the claimant's right to initiate actions to recover the unpaid  
11 judgment through suspension of debtor's motor vehicle license and regis-  
12 tration, if claim is based on defendant's ownership or operation of a  
13 motor vehicle;

14 5. the claimant's right to notify the appropriate state or local  
15 licensing or certifying authority of an unsatisfied judgment as a basis  
16 for possible revocation, suspension, or denial of renewal of business  
17 license; [and]

18 6. a statement that upon satisfying the judgment, the judgment debtor  
19 shall present appropriate proof thereof to the court; [and]

20 7. the claimant's right to notify the attorney general if the debtor  
21 is a business and appears to be engaged in fraudulent or illegal busi-  
22 ness practices[.]; AND

23 8. THE CLAIMANT'S RIGHT TO INITIATE ACTIONS TO RECOVER THE UNPAID  
24 JUDGMENT THROUGH THE INTERCEPTION OF ANY INCOME TAX REFUND OWED PURSUANT  
25 TO THE TAX LAW.

26 S 2. Subdivisions (a) and (b) of section 1811 of the uniform city  
27 court act, as amended by chapter 122 of the laws of 1987, paragraph 2 of  
28 subdivision (b) as amended, paragraph 6 of subdivision (b) as added,  
29 paragraph 7 of subdivision (b) as renumbered by chapter 650 of the laws  
30 of 1991, are amended to read as follows:

31 (a) Notice of judgment sent to judgment debtor shall specify that a  
32 failure to satisfy a judgment may subject the debtor to any one or  
33 combination of the following actions:

- 34 1. garnishment of wage;
- 35 2. garnishment of bank account;
- 36 3. a lien on personal property;
- 37 4. seizure and sale of real property;
- 38 5. seizure and sale of personal property, including automobiles;
- 39 6. suspension of motor vehicle license and registration, if claim is  
40 based on defendant's ownership or operation of a motor vehicle;
- 41 7. revocation, suspension, or denial of renewal of any applicable  
42 business license or permit;

43 8. investigation and prosecution by the attorney general for fraudu-  
44 lent or illegal business practices; [and]

45 9. a penalty equal to three times the amount of the unsatisfied judg-  
46 ment plus attorney's fees, if there are other unpaid claims[.]; AND

47 10. INTERCEPT OF ANY INCOME TAX REFUND OWED PURSUANT TO THE TAX LAW.

48 (b) Notice of judgment sent to judgment creditor shall contain but not  
49 be limited to the following information:

50 1. the claimant's right to payment within thirty days following the  
51 debtor's receipt of the judgment notice;

52 2. the procedures for use of section eighteen hundred twelve of this  
53 article concerning the identification of assets of the judgment debtor  
54 including the use of information subpoenas, access to consumer credit  
55 reports and the role of sheriffs and marshals, and actions to collect

three times the judgment award and attorney's fees if there are two other unsatisfied claims against the debtor;

3. the claimant's right to initiate actions to recover the unpaid judgment through the sale of the debtor's real property, or personal property;

4. the claimant's right to initiate actions to recover the unpaid judgment through suspension of debtor's motor vehicle license and registration, if claim is based on defendant's ownership or operation of a motor vehicle;

5. the claimant's right to notify the appropriate state or local licensing or certifying authority of an unsatisfied judgment as a basis for possible revocation, suspension, or denial of renewal of business license; [and]

6. a statement that upon satisfying the judgment, the judgment debtor shall present appropriate proof thereof to the court; [and]

7. the claimant's right to notify the attorney general if the debtor is a business and appears to be engaged in fraudulent or illegal business practices[.]; AND

8. THE CLAIMANT'S RIGHT TO INITIATE ACTIONS TO RECOVER THE UNPAID JUDGMENT THROUGH THE INTERCEPTION OF ANY INCOME TAX REFUND OWED PURSUANT TO THE TAX LAW.

S 3. Subdivisions (a) and (b) of section 1811 of the uniform district court act, as amended by chapter 122 of the laws of 1987, paragraph 2 of subdivision (b) as amended, paragraph 6 of subdivision (b) as added, paragraph 7 of subdivision (b) as renumbered by chapter 650 of the laws of 1991, are amended to read as follows:

(a) Notice of judgment sent to judgment debtor shall specify that a failure to satisfy a judgment may subject the debtor to any one or combination of the following actions:

1. garnishment of wage;

2. garnishment of bank account;

3. a lien on personal property;

4. seizure and sale of real property;

5. seizure and sale of personal property, including automobiles;

6. suspension of motor vehicle license and registration, if claim is based on defendant's ownership or operation of a motor vehicle;

7. revocation, suspension, or denial of renewal of any applicable business license or permit;

8. investigation and prosecution by the attorney general for fraudulent or illegal business practices; [and]

9. a penalty equal to three times the amount of the unsatisfied judgment plus attorney's fees, if there are other unpaid claims[.]; AND

10. INTERCEPT OF ANY INCOME TAX REFUND OWED PURSUANT TO THE TAX LAW.

(b) Notice of judgment sent to judgment creditor shall contain but not be limited to the following information:

1. the claimant's right to payment within thirty days following the debtor's receipt of the judgment notice;

2. the procedures for use of section eighteen hundred twelve of this article concerning the identification of assets of the judgment debtor including the use of information subpoenas, access to consumer credit reports and the role of sheriffs and marshals, and actions to collect three times the judgment award and attorney's fees if there are two other unsatisfied claims against the debtor;

3. the claimant's right to initiate actions to recover the unpaid judgment through the sale of the debtor's real property, or personal property;

1 4. the claimant's right to initiate actions to recover the unpaid  
2 judgment through suspension of debtor's motor vehicle license and regis-  
3 tration, if claim is based on defendant's ownership or operation of a  
4 motor vehicle;

5 5. the claimant's right to notify the appropriate state or local  
6 licensing or certifying authority of an unsatisfied judgment as a basis  
7 for possible revocation, suspension, or denial of renewal of business  
8 license; [and]

9 6. a statement that upon satisfying the judgment, the judgment debtor  
10 shall present appropriate proof thereof to the court; [and]

11 7. the claimant's right to notify the attorney general if the debtor  
12 is a business and appears to be engaged in fraudulent or illegal busi-  
13 ness practices[.]; AND

14 8. THE CLAIMANT'S RIGHT TO INITIATE ACTIONS TO RECOVER THE UNPAID  
15 JUDGMENT THROUGH THE INTERCEPTION OF ANY INCOME TAX REFUND OWED PURSUANT  
16 TO THE TAX LAW.

17 S 4. Subdivisions (a) and (b) of section 1811 of the uniform justice  
18 court act, as amended by chapter 122 of the laws of 1987, paragraph 2 of  
19 subdivision (b) as amended, paragraph 6 of subdivision (b) as added,  
20 paragraph 7 of subdivision (b) as renumbered by chapter 650 of the laws  
21 of 1991, are amended to read as follows:

22 (a) Notice of judgment sent to judgment debtor shall specify that a  
23 failure to satisfy a judgment may subject the debtor to any one or  
24 combination of the following actions:

- 25 1. garnishment of wage;
- 26 2. garnishment of bank account;
- 27 3. a lien on personal property;
- 28 4. seizure and sale of real property;
- 29 5. seizure and sale of personal property, including automobiles;
- 30 6. suspension of motor vehicle license and registration, if claim is  
31 based on defendant's ownership or operation of a motor vehicle;
- 32 7. revocation, suspension, or denial of renewal of any applicable  
33 business license or permit;

34 8. investigation and prosecution by the attorney general for fraudu-  
35 lent or illegal business practices; [and]

36 9. a penalty equal to three times the amount of the unsatisfied judg-  
37 ment plus attorney's fees, if there are other unpaid claims[.]; AND

38 10. INTERCEPT OF ANY INCOME TAX REFUND OWED PURSUANT TO THE TAX LAW.

39 (b) Notice of judgment sent to judgment creditor shall contain but not  
40 be limited to the following information:

41 1. the claimant's right to payment within thirty days following the  
42 debtor's receipt of the judgment notice;

43 2. the procedures for use of section eighteen hundred twelve of this  
44 article concerning the identification of assets of the judgment debtor  
45 including the use of information subpoenas, access to consumer credit  
46 reports and the role of sheriffs and marshals, and actions to collect  
47 three times the judgment award and attorney's fees if there are two  
48 other unsatisfied claims against the debtor;

49 3. the claimant's right to initiate actions to recover the unpaid  
50 judgment through the sale of the debtor's real property, or personal  
51 property;

52 4. the claimant's right to initiate actions to recover the unpaid  
53 judgment through suspension of debtor's motor vehicle license and regis-  
54 tration, if claim is based on defendant's ownership or operation of a  
55 motor vehicle;

1 5. the claimant's right to notify the appropriate state or local  
2 licensing or certifying authority of an unsatisfied judgment as a basis  
3 for possible revocation, suspension, or denial of renewal of business  
4 license; [and]

5 6. a statement that upon satisfying the judgment, the judgment debtor  
6 shall present appropriate proof thereof to the court; [and]

7 7. the claimant's right to notify the attorney general if the debtor  
8 is a business and appears to be engaged in fraudulent or illegal busi-  
9 ness practices[.]; AND

10 8. THE CLAIMANT'S RIGHT TO INITIATE ACTIONS TO RECOVER THE UNPAID  
11 JUDGMENT THROUGH THE INTERCEPTION OF ANY INCOME TAX REFUND OWED PURSUANT  
12 TO THE TAX LAW.

13 S 5. The tax law is amended by adding a new section 171-w to read as  
14 follows:

15 S 171-W. INTERCEPTION OF INCOME TAX REFUND IN SATISFACTION OF SMALL  
16 CLAIMS JUDGMENT. THE COMMISSIONER, ON BEHALF OF THE DEPARTMENT, SHALL  
17 ENTER INTO A WRITTEN AGREEMENT WITH THE CHIEF ADMINISTRATOR OF THE  
18 COURTS, WHICH SHALL SET FORTH THE PROCEDURES FOR THE INTERCEPTION OF ANY  
19 INCOME TAX REFUND OWED TO ANY SMALL CLAIMS JUDGMENT DEBTOR, INCLUDING  
20 PENALTIES AND ATTORNEY'S FEES THAT ARE PROVIDED FOR PURSUANT TO PARA-  
21 GRAPH 9 OF SUBDIVISION (A) OF SECTION 1811 OF THE NEW YORK CITY CIVIL  
22 COURT ACT, THE UNIFORM CIVIL COURT ACT, THE UNIFORM DISTRICT COURT ACT  
23 AND THE UNIFORM JUSTICE COURT ACT, AND PAYMENT OF SUCH REFUND TO THE  
24 SMALL CLAIMS JUDGMENT CREDITOR WHO FILES AN APPROPRIATE NOTICE WITH THE  
25 COMMISSIONER AS AN ACTION TO RECOVER SUCH JUDGMENT PURSUANT TO SUBDIVI-  
26 SION (B) OF SECTION EIGHTEEN HUNDRED ELEVEN OF THE NEW YORK CITY CIVIL  
27 COURT ACT, SUBDIVISION (B) OF SECTION EIGHTEEN HUNDRED ELEVEN OF THE  
28 UNIFORM CITY COURT ACT, SUBDIVISION (B) OF SECTION EIGHTEEN HUNDRED  
29 ELEVEN OF THE UNIFORM DISTRICT COURT ACT OR SUBDIVISION (B) OF SECTION  
30 EIGHTEEN HUNDRED ELEVEN OF THE UNIFORM JUSTICE COURT ACT.

31 S 6. This act shall take effect immediately.