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I N   S E N A T E

(PREFILED)

January 8, 2014

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Introduced by Sen. GOLDEN -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law and the civil practice law and rules, in relation to licensing of appearance enhancement businesses

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

1     Section 1. Section 400 of the general business law is amended by  
2     adding a new subdivision 11 to read as follows:  
3     11. "RELATED PERSON" MEANS A "RELATED PERSON" AS SUCH TERM IS  
4     DESCRIBED PURSUANT TO SUBPARAGRAPH (C) OF PARAGRAPH THREE OF SUBSECTION  
5     (B) OF SECTION FOUR HUNDRED SIXTY-FIVE OF THE INTERNAL REVENUE CODE.  
6     S 2. Subdivision 1 of section 410 of the general business law, as  
7     added by chapter 509 of the laws of 1992, is amended to read as follows:  
8     1. Suspension and revocation of licenses; fines; reprimands. A license  
9     issued pursuant to this article may be suspended or revoked, or a fine  
10    not exceeding five hundred dollars payable to the department may be  
11    imposed for any one or more of the following causes:  
12    a. Fraud or bribery in securing a license or permission to take an  
13    examination therefor.  
14    b. The making of any false statement as to a material matter in any  
15    application or other statement or certificate required by or pursuant to  
16    this article.  
17    c. Incompetence or untrustworthiness.  
18    d. Failure to display the license as provided in this article.  
19    e. Violation of any provision of this article, or of any rule or regu-  
20    lation adopted hereunder.  
21    f. Conviction of any of the following crimes subsequent to the issu-  
22    ance of a license pursuant to this article: fraud pursuant to sections  
23    170.10, 170.15, 176.15, 176.20, 176.25, 176.30 and 190.65; falsifying  
24    business records pursuant to section 175.10; grand larceny pursuant to  
25    article 155; bribery pursuant to sections 180.03, 180.08, 180.15,  
26    180.25, 200.00, 200.03, 200.04, 200.10, 200.11, 200.12, 200.45, 200.50;  
27    perjury pursuant to sections 210.10, 210.15, 210.40; assault pursuant to

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

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1 sections 120.05, 120.10, 120.11, 120.12; robbery pursuant to article  
2 160; homicide pursuant to sections 125.25 and 125.27; manslaughter  
3 pursuant to sections 125.15 and 125.20; kidnapping and unlawful impri-  
4 sonment pursuant to sections 135.10, 135.20 and 135.25; PROSTITUTION  
5 OFFENSES PURSUANT TO ARTICLE 230 OF THE PENAL LAW; unlawful weapons  
6 possession pursuant to sections 265.02, 265.03 and 265.04; criminal use  
7 of a weapon pursuant to sections 265.08 and 265.09; criminal sale of a  
8 weapon pursuant to sections 265.11 and 265.12; and sex offenses pursuant  
9 to article 130 of the penal law. Provided, however, that for the  
10 purposes of this article, none of the following shall be considered  
11 criminal convictions or reported as such: (i) a conviction for which an  
12 executive pardon has been issued pursuant to the executive law; (ii) a  
13 conviction which has been vacated and replaced by a youthful offender  
14 finding pursuant to article seven hundred twenty of the criminal proce-  
15 dure law, or the applicable provisions of law of any other jurisdiction;  
16 or (iii) a conviction the records of which have been expunged or sealed  
17 pursuant to the applicable provisions of the laws of this state or of  
18 any other jurisdiction; and (iv) a conviction for which other evidence  
19 of successful rehabilitation to remove the disability has been issued.

20 [Provided, however, a fine shall not be imposed for the] EXCEPT IN THE  
21 CASE OF causes specified in paragraph f of this subdivision[. In], IN  
22 lieu of or in conjunction with the suspension or revocation of a  
23 license, or the imposition of a fine pursuant to this section, the  
24 secretary may issue a reprimand. When a license issued pursuant to this  
25 article is revoked, such license shall not be reinstated or reissued  
26 until after the expiration of a period of one year from the date of such  
27 revocation. No license shall be issued after a second revocation. IN  
28 ADDITION TO THE FORGOING ONE YEAR REVOCATION, WHEN A LICENSE FOR AN  
29 APPEARANCE ENHANCEMENT BUSINESS IS REVOKED, A LICENSE SHALL NOT BE REIN-  
30 STATED OR REISSUED TO THE ORIGINAL LICENSEE, OR TO ANY RELATED PERSON,  
31 AS DEFINED IN THIS ARTICLE FOR A PERIOD OF FIVE YEARS FOR OPERATION AT  
32 AN ADDRESS WITHIN THE SAME COUNTY AS THE ORIGINAL PLACE OF BUSINESS  
33 LISTED ON OR FOR THE LICENSE, AND NO LICENSE SHALL BE ISSUED AFTER A  
34 SECOND REVOCATION.

35 S 3. The general business law is amended by adding a new section 412-a  
36 to read as follows:

37 S 412-A. ADDITIONAL PROVISIONS WITH RESPECT TO AN APPEARANCE ENHANCE-  
38 MENT BUSINESS. 1. ANY OTHER PROVISIONS OF THIS ARTICLE TO THE CONTRARY  
39 NOTWITHSTANDING:

40 A. ANY LICENSE OR RENEWAL THEREOF ISSUED FOR AN APPEARANCE ENHANCEMENT  
41 BUSINESS PURSUANT TO THIS ARTICLE MAY BE REVOKED, CANCELLED, SUSPENDED,  
42 AND/OR SUBJECTED TO THE IMPOSITION OF A CIVIL PENALTY FOR CAUSE OR  
43 VIOLATIONS OCCURRING DURING THE LICENSE PERIOD AND/OR THE PERIOD IMME-  
44 DIATELY PRECEDING THE ISSUANCE OF SUCH LICENSE OR RENEWAL, AND MUST BE  
45 REVOKED UPON CONVICTION OF THE LICENSEE UPON ANY FELONY OFFENSE LISTED  
46 IN PARAGRAPH F OF SUBDIVISION ONE OF SECTION FOUR HUNDRED TEN OF THIS  
47 ARTICLE. AS USED IN THIS SECTION, THE TERM "FOR CAUSE" MEANS AND  
48 INCLUDES THE EXISTENCE OF A SUSTAINED AND CONTINUING PATTERN OF NOISE,  
49 DISTURBANCE, MISCONDUCT, OR DISORDER ON OR ABOUT THE LICENSED PREMISES,  
50 RELATED TO THE OPERATION OF THE PREMISES OR THE CONDUCT OF ITS PATRONS,  
51 WHICH ADVERSELY AFFECTS THE HEALTH, WELFARE, OR SAFETY OF THE INHABIT-  
52 ANTS OF THE AREA IN WHICH SUCH LICENSED PREMISES ARE LOCATED. THE EXIST-  
53 ENCE OF A SUSTAINED AND CONTINUING PATTERN OF NOISE, DISTURBANCE,  
54 MISCONDUCT, OR DISORDER ON OR ABOUT THE LICENSED PREMISES, RELATED TO  
55 THE OPERATION OF THE PREMISES OR THE CONDUCT OF ITS PATRONS, WILL BE  
56 PRESUMED UPON THE FOURTH INCIDENT REPORTED TO A LAW ENFORCEMENT AGENCY

1 OF NOISE OR DISTURBANCE OR MISCONDUCT OR DISORDER ON OR ABOUT THE  
2 LICENSED PREMISES OR RELATED TO THE OPERATION OF THE PREMISES OR THE  
3 CONDUCT OF ITS PATRONS, IN ANY ONE HUNDRED EIGHTY DAY PERIOD, ABSENT  
4 CLEAR AND CONVINCING EVIDENCE OF EITHER FRAUDULENT INTENT ON THE PART OF  
5 ANY COMPLAINANT OR A FACTUAL ERROR WITH RESPECT TO THE CONTENT OF ANY  
6 REPORT CONCERNING SUCH COMPLAINT RELIED UPON BY THE SECRETARY.

7 B. A PERSON WHO OPERATES AN APPEARANCE ENHANCEMENT BUSINESS WITHIN  
8 THIS STATE WITHOUT A VALID LICENSE BEING IN EFFECT SHALL HAVE UP TO ONE  
9 MONTH AFTER NOTIFICATION TO APPLY FOR SUCH LICENSE AND UP TO ONE YEAR TO  
10 OBTAIN SUCH LICENSE. OPERATION OF AN APPEARANCE ENHANCEMENT BUSINESS  
11 WITHIN THIS STATE WITHOUT A VALID LICENSE BEING IN EFFECT OR WITHOUT  
12 PROOF THAT APPLICATION HAS BEEN MADE FOR A VALID LICENSE WITHIN THREE  
13 MONTHS OF NOTIFICATION, SHALL RESULT IN INELIGIBILITY FOR A LICENSE  
14 UNDER THIS ARTICLE FOR A PERIOD OF FIVE YEARS FOR THE PERSON OR PERSONS,  
15 INCLUDING A PARTNERSHIP, A LIMITED LIABILITY COMPANY OR CORPORATION, AND  
16 RELATED PERSON AS DEFINED IN THIS ARTICLE.

17 C. ANY OTHER PROVISION OF ANY OTHER LAW TO THE CONTRARY NOTWITHSTAND-  
18 ING, TWO OR MORE CONVICTIONS OF ANY PERSON OR PERSONS, WITHIN A PERIOD  
19 OF ONE YEAR, FOR ANY OF THE OFFENSES DESCRIBED IN ARTICLE TWO HUNDRED  
20 THIRTY OF THE PENAL LAW ARISING OUT OF CONDUCT ENGAGED IN AT THE BUSI-  
21 NESS LOCATION OF AN APPEARANCE ENHANCEMENT BUSINESS SHALL BE PRESUMPTIVE  
22 EVIDENCE OF CONDUCT CONSTITUTING USE OF THE PREMISES FOR PURPOSES OF  
23 PROSTITUTION, AND SUCH BUSINESS LOCATION SHALL BE SUBJECT TO ANY AND ALL  
24 OF THE ACTIONS, JURISDICTION, REMEDIES, AND OTHER PROVISIONS PROVIDED  
25 FOR IN TITLE TWO OF ARTICLE TWENTY-THREE OF THE PUBLIC HEALTH LAW.

26 2. AN APPEARANCE ENHANCEMENT BUSINESS MAY NOT BE OPERATED BETWEEN THE  
27 HOURS OF MIDNIGHT AND FIVE A.M., EXCEPT THE CASE OF AN APPEARANCE  
28 ENHANCEMENT BUSINESS LOCATED ON THE PREMISES OF A HEALTH CARE FACILITY  
29 LICENSED OR PERMITTED BY THE STATE; A HOTEL, MOTEL, OR BED AND BREAKFAST  
30 INN; A TIMESHARE PROPERTY; A PUBLIC AIRPORT; OR A PARI-MUTUEL FACILITY;  
31 OR DURING A SPECIAL EVENT IF THE COUNTY OR MUNICIPALITY IN WHICH THE  
32 ESTABLISHMENT OPERATES HAS APPROVED SUCH OPERATION DURING THE SPECIAL  
33 EVENT; PROVIDED HOWEVER THAT ANY PROCEDURE PERFORMED BETWEEN THE HOURS  
34 OF MIDNIGHT AND FIVE A.M. IN ANY OF THE PRECEDING EXCEPTIONS SHALL BE  
35 PERFORMED ONLY BY AN INDIVIDUAL LICENSED TO PERFORM SUCH PROCEDURE UNDER  
36 THIS ARTICLE. A PERSON VIOLATING THE PROVISIONS OF THIS SUBDIVISION  
37 SHALL BE DEEMED GUILTY OF A MISDEMEANOR AND UPON CONVICTION SHALL BE  
38 PUNISHED BY IMPRISONMENT FOR SIX MONTHS OR BY A FINE OF FIVE HUNDRED  
39 DOLLARS OR BOTH. A SECOND OR SUBSEQUENT VIOLATION OF THIS SUBDIVISION  
40 WITHIN A FIVE YEAR PERIOD SHALL BE DEEMED A CLASS E FELONY.

41 3. AN APPEARANCE ENHANCEMENT BUSINESS WHICH DOES NOT OFFER ALL OF THE  
42 FOLLOWING SERVICES REQUIRED TO BE LICENSED PURSUANT TO THIS ARTICLE  
43 SHALL BE REQUIRED TO POST THE TOLL-FREE NUMBER, ADDRESS AND OTHER PERTI-  
44 NENT INFORMATION AS DETERMINED AND REQUIRED BY THE SECRETARY OF THE  
45 NATIONAL HUMAN TRAFFICKING RESOURCE CENTER IN AN AREA EASILY OBSERVABLE  
46 TO PATRONS, EMPLOYEES, AND VISITORS: NAIL SPECIALTY, WAXING, NATURAL  
47 HAIR STYLING, ESTHETICS OR COSMETOLOGY, AS DEFINED IN SECTION FOUR  
48 HUNDRED OF THIS ARTICLE.

49 4. RESTRAINT OF UNLAWFUL ACTS BY APPEARANCE ENHANCEMENT BUSINESSES.  
50 WHERE A VIOLATION OF THIS TITLE IS ALLEGED TO HAVE OCCURRED BY OR AT A  
51 LICENSED APPEARANCE ENHANCEMENT BUSINESS OR BY A PERSON OR PERSONS,  
52 INCLUDING A PARTNERSHIP, A LIMITED LIABILITY COMPANY OR CORPORATION, WHO  
53 HAVE ENGAGED IN OR FOLLOWED THE BUSINESS OR OCCUPATION OF, OR HELD  
54 HIMSELF, HERSELF OR ITSELF OUT AS OR ACTED, TEMPORARILY OR OTHERWISE, AS  
55 AN APPEARANCE ENHANCEMENT BUSINESS IN CITIES HAVING A POPULATION OF ONE  
56 MILLION OR MORE, IN ADDITION TO THE ATTORNEY GENERAL OR THE DEPARTMENT,

1 THE CORPORATION COUNSEL MAY APPLY TO THE SUPREME COURT WITHIN THE JUDI-  
2 CIAL DISTRICT IN WHICH SUCH VIOLATION IS ALLEGED TO HAVE OCCURRED FOR AN  
3 ORDER ENJOINING OR RESTRAINING COMMISSION OR CONTINUANCE OF THE UNLAWFUL  
4 ACTS COMPLAINED OF. THE REMEDY PROVIDED IN THIS SECTION SHALL BE IN  
5 ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW OR TO THE PROCEEDINGS  
6 COMMENCED AGAINST A LICENSEE UNDER THIS TITLE.

7 S 4. Subdivisions 4-b and 6 of section 1310 of the civil practice law  
8 and rules, subdivision 4-b as added by chapter 655 of the laws of 1990  
9 and subdivision 6 as added by chapter 669 of the laws of 1984, are  
10 amended to read as follows:

11 4-b. "Specified felony offense" means:

12 (a) a conviction of a person for a violation of section 220.18,  
13 220.21, 220.41, [or] 220.43, 230.34 OR 135.35 of the penal law, or where  
14 the accusatory instrument charges one or more of such offenses,  
15 conviction upon a plea of guilty to any of the felonies for which such  
16 plea is otherwise authorized by law or a conviction of a person for  
17 conspiracy to commit a violation of section 220.18, 220.21, 220.41, or  
18 220.43 of the penal law, where the controlled substances which are the  
19 object of the conspiracy are located in the real property which is the  
20 subject of the forfeiture action; or

21 (b) on three or more occasions, engaging in conduct constituting a  
22 violation of any of the felonies defined in section 220.09, 220.16,  
23 220.18, 220.21, 220.31, 220.34, 220.39, 220.41, 220.43 [or], 221.55,  
24 230.34 OR 135.35 of the penal law, which violations do not constitute a  
25 single criminal offense as defined in subdivision one of section 40.10  
26 of the criminal procedure law, or a single criminal transaction, as  
27 defined in paragraph (a) of subdivision two of section 40.10 of the  
28 criminal procedure law, and at least one of which resulted in a  
29 conviction of such offense, or where the accusatory instrument charges  
30 one or more of such felonies, conviction upon a plea of guilty to a  
31 felony for which such plea is otherwise authorized by law; or

32 (c) a conviction of a person for a violation of section 220.09,  
33 220.16, 220.34 [or], 220.39, 230.34 OR 135.35 of the penal law, or a  
34 conviction of a criminal defendant for a violation of section 221.30 of  
35 the penal law, or where the accusatory instrument charges any such felo-  
36 ny, conviction upon a plea of guilty to a felony for which the plea is  
37 otherwise authorized by law, together with evidence which: (i) provides  
38 substantial indicia that the defendant used the real property to engage  
39 in a continual, ongoing course of conduct involving the unlawful mixing,  
40 compounding, manufacturing, warehousing, or packaging of controlled  
41 substances or where the conviction is for a violation of section 221.30  
42 of the penal law, marijuana, as part of an illegal trade or business for  
43 gain; and (ii) establishes, where the conviction is for possession of a  
44 controlled substance or where the conviction is for a violation of  
45 section 221.30 of the penal law, marijuana, that such possession was  
46 with the intent to sell it.

47 6. "Pre-conviction forfeiture crime" means only a felony defined in  
48 article two hundred twenty or section 221.30 [or], 221.55, 230.34 OR  
49 135.35 of the penal law.

50 S 5. This act shall take effect immediately.