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DEPARTMENT OF CONSUMER AFFAIRS HOLDS PUBLIC HEARING TO INVESTIGATE UNSCRUPULOUS PRACTICES OF THE PROCESS SERVER INDUSTRY IN NEW YORK CITY

Judges, Industry Representatives and Consumers Provide Key Testimony

The Department of Consumer Affairs (DCA) held a public hearing today, gathering crucial testimony from judges, industry representatives, consumers and consumer advocates to determine the extent of abuses within the process server industry and assess what steps need to be taken to improve the administration of existing laws.

The proper service of a court summons or other judicial document is an activity regulated by DCA. It is the critical first step in the initiation of a lawsuit for businesses and individuals. Non-compliance often called "sewer service," when such documents are fraudulently thrown away rather than properly served, can deprive City residents of notice when businesses, such as debt collectors or landlords, take legal action that will affect their homes, earnings or savings. Inadequate notice to those people can lead to homelessness, loss of income and other serious forms of displacement, especially among those who have little or no access to legal representation.

"New Yorkers have a right to expect that any legal papers sent to them by courts actually get to them," said Consumer Affairs Commissioner Jonathan Mintz. "The proper service of process, as that's called, is too often unreliable, leading to serious consequences. I called this hearing to get to the bottom of both the problems and the solutions."

DCA licenses more than 2,000 individual process servers and 135 process server companies operating in New York City. New York's laws governing process service are designed to ensure that individuals receive adequate notice of a legal action against them. DCA will review the testimony and feedback from this public hearing to determine the adequacy of current laws regulating this industry.

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses alike, DCA licenses more than 60,000 businesses in 55 different categories. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses about their rights and responsibilities. For more information, call 311 or visit DCA online at www.nyc.gov/consumers