

April 14, 2010

**MAYOR BLOOMBERG SIGNS LEGISLATION ENHANCING THE REGULATION OF
PROCESS SERVERS**

Remarks by Mayor Bloomberg at a Public Hearing on Local Laws

"The second bill before me today is Introductory Number 6-A, sponsored by Council Members Garodnick, Brewer, Gonzalez, James, Koslowitz, Lappin, Palma, Seabrook, Vallone, Barron, Mendez, White, Jackson, Lander, Williams, Sanders, Levin, and Vann. Introductory Number 6-A enhances the regulation of process servers.

"Process servers deliver legal papers to people who are being sued. Debt collection agencies and attorneys often hire private process serving companies to deliver these documents in person or through the mail. While in many instances the service of these documents is performed effectively, each year thousands of New Yorkers have their wages garnished and their bank accounts frozen - all because they have defaulted on debts they didn't know they owed. The process serving industry is responsible for ensuring that consumers are aware that legal claims have been made against them so that they have a chance to defend themselves, and the enactment of this legislation will bring this essential component of our justice system into the 21st Century.

"Introductory Number 6-A requires process servers to pass an exam, as well as post a surety bond or pay into a trust fund established by the [Department of Consumer Affairs](#). Perhaps

most importantly, the bill requires process servers to provide an electronic record of their work. A GPS device will automatically and independently verify the service of process at the location where such service was made or claimed to have been made. From now on, the Department of Consumer Affairs will have the tools it needs to conduct audits efficiently - and crack down on fraudulent service.

"I would like to thank Consumer Affairs Commissioner Jonathan Mintz and his staff and my office of City Legislative Affairs for their work on this bill. I would also like to thank the City Council for approving this legislation."

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**STATEMENT OF CONSUMER AFFAIRS COMMISSIONER JONATHAN MINTZ ON
MUNICIPAL DEPOSIT CHOICE LEGISLATION**

"New York State's century-old law preventing municipalities from depositing city dollars into credit unions and savings banks is more than just outdated – it's counterproductive. These financial institutions, like banks, are federally regulated and insured, and often provide competitive rates of return for taxpayer dollar deposits. As Mayor Bloomberg called for in his State of the City address, and as leaders from across the state have said today, Albany must lift this indefensible ban and allow municipalities to have the full range of choices when it comes to depositing their own dollars. Mayor Bloomberg has even promised to deposit \$25 million in City tax dollars into credit unions upon the overturning of this law, a move that would strengthen credit unions' abilities to continue to serve the banking and lending needs of residents and small businesses for neighborhoods in need across New York."