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# Council Seeks to Crack Down on Process Servers Who Lie

By **RAY RIVERA**

In a proposal aimed at unscrupulous debt collectors, the City Council is considering legislation that would require process servers to use global positioning systems to show that they have actually visited consumers' homes or workplaces to deliver notices of collection proceedings.

Lawmakers hope the measure will help curb a long-running practice known in legal circles as "sewer service," which occurs when process servers fail to serve court papers on defendants but file affidavits swearing that they did so — which allows the cases to proceed.

The victims are often debtors involved in collection suits. When they fail to show up in court they are hit with default judgments, often for thousands of dollars.

The bill would require process servers in New York City to electronically record every instance in which they serve or try to serve someone, using a global positioning system that would pinpoint their exact location.

Advocates for consumers say that sewer service has grown in recent years because of the recession and an increase in the number of collection firms that buy bad debts from credit card companies for pennies on the dollar and then seek to collect them.

"Obviously, there's a disturbing trend at work in New York," said Councilman Daniel Garodnick, a Manhattan Democrat who is the bill's lead sponsor.

"Tens of thousands of people are being sued for debts that they may or may not truly owe, but they only learn that they've been sued after they've lost, and find their bank accounts are frozen and their wages are garnished."

A [federal class-action lawsuit](#) was filed in Manhattan in December against several debt-purchasing companies and firms that help them collect debts, accusing them of fraudulently obtaining judgments against debtors.

The bill was introduced amid an investigation by the state attorney general, [Andrew M. Cuomo](#),

into fraudulent process serving. Last year, Mr. Cuomo's office arrested the owner of a Long Island process serving firm, [accusing the company's servers of frequently filing false affidavits](#) in which they claimed to have attempted to serve three and four people at the same time.

One server, according to the complaint, claimed to have made 77 service attempts on one day, interspersed at locations in Brooklyn and Cattaraugus County, roughly 400 miles apart — a feat that would have required 11 round trips covering 8,194 miles.

The Bloomberg administration supports the Council measure. Jonathan Mintz, commissioner of the city's [Department of Consumer Affairs](#), called the proposed bill a “game changer” in regulating the industry.

“There are a number of ways that law enforcement agencies can try to encourage process servers to do the right thing or fine them if they don't,” Mr. Mintz said, “but actually being able to prove if they were there is a night-and-day difference.”