

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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SENATE BILL 922

Short Title: Paralegal Profession Act.

(Public)

Sponsors: Senator Rand.

Referred to: Judiciary I.

April 3, 2003

1 A BILL TO BE ENTITLED  
2 AN ACT TO REGULATE PERSONS WHO ENGAGE IN PRACTICE AS  
3 PARALEGALS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. The General Statutes are amended by adding a new Chapter to  
6 read:

7 "Chapter 84B.

8 "Paralegal Profession Act.

9 "§ 84B-1. Title; purpose.

10 (a) This Chapter may be cited as the 'Paralegal Profession Act'.

11 (b) The purpose of this Chapter is to protect the public by ensuring that those  
12 holding themselves out to the public as paralegals are qualified, properly trained, and  
13 regulated as set forth in this Chapter.

14 "§ 84B-2. Definitions.

15 The following definitions apply in this Chapter:

16 (1) Board. – The North Carolina Paralegal Regulation Board.

17 (2) Paralegal. – A person with legal skills who is not an attorney but who  
18 works under the supervision of a licensed attorney in performing  
19 various tasks relating to the practice of law or who is otherwise  
20 authorized by law to use those legal skills.

21 (3) Paralegal registration. – A document issued by the Board evidencing  
22 that the person named therein has complied with requirements of  
23 registration established by the Board.

24 (4) Qualified paralegal studies program. – A program of paralegal or legal  
25 assistant studies offered by a North Carolina community college or  
26 approved by the House of Delegates of the American Bar Association  
27 or a program that offers at least 18 semester credits of coursework in  
28 paralegal studies and is an institutional member of the Southern

1           Association of Colleges and Schools or other regional accrediting  
2           agency.

3 **"§ 84B-3. North Carolina Paralegal Regulation Board; creation.**

4       (a) The North Carolina Paralegal Regulation Board is created.

5       (b) Composition and Terms. – The Board shall consist of 19 members who shall  
6 serve staggered terms. Members shall be residents of this State and appointed or elected  
7 on or before January 1, 2004, as follows:

8           (1) Twelve members shall be individuals who are registered under this  
9 Chapter and shall be appointed by the Alliance for Paralegal  
10 Professional Standards. Four paralegal members shall serve a one-year  
11 term, four paralegal members shall serve two-year terms, and four  
12 paralegal members shall serve three-year terms.

13           (2) Three members shall be directors of paralegal education programs in  
14 this State. The appointments shall be made from a list of paralegal  
15 educators in this State by a majority vote of the paralegal members on  
16 the Board. One paralegal educator shall serve a one-year term, one  
17 paralegal educator shall serve a two-year term, and one paralegal  
18 educator shall serve a three-year term.

19           (3) Two members shall be attorneys licensed to practice law in this State  
20 and appointed upon the recommendation of the Chief Justice of the  
21 North Carolina Supreme Court pursuant to a list provided by the North  
22 Carolina State Bar. One attorney member shall serve a two-year term,  
23 and one attorney member shall serve a three-year term.

24           (4) Two members shall be members of the public appointed by the  
25 Governor. One public member shall serve a two-year term, and one  
26 public member shall serve a three-year term.

27       Except for the paralegal Board members, upon the expiration of the terms of all  
28 other initial Board members, each member shall be appointed for a term of three years  
29 and shall serve until a successor is appointed.

30       Upon the expiration of the terms of the initial paralegal Board members, seats of the  
31 paralegal members shall be filled by election in which the individuals regulated by the  
32 Board to practice as paralegals may vote in accordance with election procedures  
33 established by the Board. In electing the paralegal members, consideration shall be  
34 given to the geographic location of members and the promotion of diversity in the  
35 profession. No paralegal member may serve more than two consecutive full terms.

36       (c) Oath. – Each member of the Board shall take an oath for the faithful  
37 performance of his or her duties and shall serve without bond.

38       (d) Vacancies. – Except for attorney members and public members, vacancies on  
39 the Board for any reason occurring during a term shall be filled by appointment of the  
40 entire Board. Vacancies of attorney members and public members shall be filled in the  
41 same manner as the original appointment. Appointees to fill vacancies shall serve the  
42 remainder of the unexpired term and until their successors have been duly appointed or  
43 elected and qualified.

1       (e) Removal. – A Board member may be removed by two-thirds vote of the  
2 Board for misconduct, incompetence, or neglect.

3       (f) Compensation. – Unless otherwise set by statute, the Board shall have the  
4 authority to set compensation and reimbursement for expenses incurred by its members  
5 in their performance of duties under this Chapter.

6       (g) Officers. – The Board shall elect a chair, vice-chair, and any other officers  
7 deemed necessary by the Board to carry out the purposes of this Chapter. All officers  
8 shall serve terms and have duties as may be prescribed in rules adopted by the Board.

9       (h) Meeting. – The Board shall meet at least annually and at other times as  
10 provided in the rules adopted by the Board. A majority of Board members constitutes a  
11 quorum.

12 **"§ 84B-4. Powers of the Board.**

13       (a) The Board shall have the power and duty to:

14           (1) Administer this Chapter.

15           (2) Adopt, amend, or repeal rules as may be necessary to carry out the  
16 provisions of this Chapter.

17           (3) Develop or approve the form for application for registration under this  
18 Chapter and establish fees for application for registration, including  
19 initial, provisional, and renewal applications, for application for  
20 examination, and for any other services provided by the Board.

21           (4) Approve individual applicants to be regulated under this Chapter.

22           (5) Develop, administer, and require written or oral examination of  
23 applicants under this Chapter.

24           (6) Determine and approve minimum requirements for continuing  
25 education for individuals registered under this Chapter and approve  
26 providers of continuing education for individuals registered under this  
27 Chapter.

28           (7) Establish methods to monitor and enforce compliance with the  
29 provisions of this Chapter, including conducting investigations and  
30 holding hearings regarding alleged violations of this Chapter.

31           (8) Require the submission of reports and information by individuals  
32 regulated under this Chapter.

33           (9) Take any action necessary for the collection, disbursement, and  
34 maintenance of funds to which the Board is entitled under the  
35 provisions of this Chapter.

36           (10) Employ and fix the compensation of personnel that the Board  
37 determines is necessary to carry into effect the provisions of this  
38 Chapter or otherwise retain any entity or individual, including  
39 consultants, lobbyists, or attorneys that may assist the Board in  
40 carrying out the provisions of this Chapter.

41       (b) The Board shall cooperate with and assist the directors or administrators of  
42 any program designed to educate and train paralegals in this State in any manner  
43 determined to be appropriate by the Board.

1       (c) The Board may create the position of Administrator of the Paralegal  
2 Regulation Board. The position shall be filled by appointment of the Board and may be  
3 part-time or full-time. The Administrator's duties shall be to administer the directives  
4 contained in this Chapter and the rules and procedures adopted by the Board and to  
5 otherwise carry out the administrative duties incident to the functioning of the Board.  
6 The Administrator shall serve with bond or shall carry appropriate professional liability  
7 insurance as determined by the Board.

8       (d) The Board may purchase or rent office space, equipment, and supplies and  
9 sign any and all contracts or other instruments necessary to carry out the provisions of  
10 this Chapter.

11       (e) The Board shall prepare an annual report of the Board's activities and make  
12 the report available to each individual regulated under this Chapter within 120 days  
13 after the end of the fiscal year.

14 **"§ 84B-5. Custody and use of funds.**

15       All fees and other moneys collected and received by the Board shall be used for the  
16 purposes of implementing this Chapter.

17 **"§ 84B-6. Registration required.**

18       (a) On or after January 1, 2004, no person shall practice or offer to practice as a  
19 paralegal, perform services of a paralegal, or use any card, title, or abbreviation to  
20 indicate that the person is a paralegal unless that person has currently registered with the  
21 Board to practice as a paralegal as provided by this Chapter.

22       (b) Nothing in this Chapter shall be construed to authorize a paralegal to engage  
23 in conduct that constitutes practicing law as defined in G.S. 84-2.1.

24 **"§ 84B-7. Qualifications for registration.**

25       (a) Upon application to the Board on a form provided by the Board and payment  
26 of the required fees as established by the Board, an applicant may become registered as  
27 a paralegal if the applicant has successfully completed postsecondary education and  
28 training that includes at least one of the following:

29           (1) An associates degree, bachelors degree, masters degree, or  
30 post-baccalaureate certificate from a qualified paralegal studies  
31 program.

32           (2) An associates degree or bachelors degree in any discipline from any  
33 institution of postsecondary education that is accredited by an  
34 accrediting body recognized by the United States Department of  
35 Education. Qualification under this subdivision shall also include  
36 successful completion of not less than 18 semester credits of  
37 coursework, including a legal ethics component, offered by a qualified  
38 paralegal studies program, any portion of which may be part of or in  
39 addition to the credits earned toward this degree in areas as prescribed  
40 by the American Bar Association Approval Guidelines for the  
41 Approval of Legal Assistant Education Programs.

42       (b) Coursework that is offered by an institution of postsecondary education as  
43 part of a Juris Doctorate program that is approved by the American Bar Association

1 may substitute for the coursework specified in subsection (a) of this section if all of the  
2 following are satisfied:

- 3 (1) Not less than 18 semester credits of coursework is completed with a  
4 minimum grade of "C" in each course.
- 5 (2) The content of the coursework meets the categorical criteria specified  
6 in subsection (a) of this section.
- 7 (3) Any coursework or combination of coursework submitted in  
8 satisfaction of the litigation or substantive law criteria of subdivision  
9 (a)(2) of this section includes instruction in the proper drafting of legal  
10 documents used regularly in that area of the law.

11 **"§ 84B-8. Registration renewal; continuing education.**

12 A registration to practice under this Chapter shall be renewed every year pursuant to  
13 rules adopted by the Board. When renewing a registration, each registrant shall submit  
14 to the Board evidence of successful completion of at least six hours of continuing  
15 education in paralegal studies as approved by the Board.

16 **"§ 84B-9. Reciprocity.**

17 A registration may be issued to a qualified applicant holding a paralegal license,  
18 certification, or registration in another state if that state recognizes the registration of  
19 this State in the same manner and application for registration in this State is in  
20 accordance with any other rules established by the Board.

21 **"§ 84B-10. Ineligibility; prohibited conduct.**

22 (a) No person may identify himself or herself as a paralegal or apply to be  
23 registered under this Chapter if:

- 24 (1) The person's registration as a paralegal in any state is under suspension  
25 or revocation.
- 26 (2) The person's license to practice law in any state is under suspension or  
27 revocation.
- 28 (3) The person has been convicted of a felony or any crime involving  
29 moral turpitude.
- 30 (4) The person is not a legal resident of the United States.

31 (b) The Board may deny, suspend, revoke, or refuse to register a paralegal or  
32 applicant for any of the following:

- 33 (1) The employment of fraud, deceit, or misrepresentation in obtaining or  
34 attempting to obtain a registration or the renewal of a registration.
- 35 (2) The use of drugs or intoxicating liquors to an extent that affects  
36 professional competency.
- 37 (3) Conviction of an offense under any municipal, State, or federal  
38 narcotic or controlled substance law until proof of rehabilitation can be  
39 established.
- 40 (4) An adjudication of insanity or incompetency until proof of recovery  
41 from the condition can be established.
- 42 (5) Engaging in any act or practice in violation of any of the provisions of  
43 this Chapter or of any of the rules adopted by the Board or aiding,

1 abetting, or assisting any other person in the violation of these  
2 provisions or rules.

3 (6) Practicing as a paralegal under this Chapter without a valid registration  
4 or renewal.

5 (7) Engaging in conduct that could result in harm or injury to the public.

6 (8) The employment of fraud, deceit, or misrepresentation when  
7 communicating with the general public, health care professionals, or  
8 other business professionals.

9 **"§ 84B-11. Violation a misdemeanor.**

10 Any person who violates any provision of this Chapter shall be guilty of a Class 1  
11 misdemeanor.

12 **"§ 84B-12. Injunctions.**

13 The Board may apply to the superior court for an order enjoining violations of this  
14 Chapter, and, upon a showing by the Board that any person has violated or is about to  
15 violate this Chapter, the court may grant an injunction or restraining order or take other  
16 appropriate action.

17 **"§ 84B-13. Ethical guidelines.**

18 A paralegal registered under this Chapter shall comply with the North Carolina  
19 Paralegal Code of Ethics and Professional Responsibility and the companion Rules for  
20 Enforcement of this Code, which shall be established and approved by the Board.

21 **"§ 84B-14. Severability.**

22 If any provision of this Chapter or the application thereof to any individual or  
23 circumstances is for any reason held invalid, the invalidity shall not affect other  
24 provisions or applications of the section which can be given effect without the invalid  
25 provision or application, and to this end the provisions of this Chapter are declared to be  
26 severable."

27 **SECTION 2.** Any individual who makes application for registration as a  
28 paralegal within three years of the effective date of this act shall be registered as a  
29 paralegal without having to satisfy the qualifications under G.S. 84B-7, as enacted by  
30 Section 1 of this act, if the applicant meets all of the following criteria:

31 (1) The individual has a high school diploma or equivalent education at  
32 the time of application.

33 (2) The individual has been engaged in work as a paralegal for not less  
34 than 4,800 hours at any time during the five years immediately  
35 preceding the time of application.

36 (3) The individual has completed at least three hours of approved  
37 continuing education in the area of legal ethics and professional  
38 responsibility during the 12 months preceding the time of application.

39 The work experience required in subdivision (2) of this section shall be  
40 documented by the certification of an attorney, law office, governmental agency, or  
41 other entity or by the records of regularly conducted activity. The Board shall prescribe  
42 the form and content of the certification or records.

43 An applicant who has the Certified Legal Assistant (CLA), PACE -  
44 Registered Paralegal (RP), or other national paralegal credential approved by the Board

1 may present evidence of good standing as compliance with the requirements of  
2 subdivisions (1) through (3) of this section.

3 All persons who do not make application to the Board within three years of  
4 the effective date of this act are required to complete all qualifications prescribed by the  
5 Board and to otherwise comply with the provisions of Chapter 84B, enacted by Section  
6 1 of this act.

7 **SECTION 3.** This act is effective when it becomes law.