

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

**SENATE BILL 539  
RATIFIED BILL**

AN ACT AMENDING THE LAW GOVERNING THE LIMITED PRACTICE OF  
OUT-OF-STATE ATTORNEYS-AT-LAW AND THE OPERATION OF THE  
COUNCIL AND DISCIPLINARY HEARING COMMISSION OF THE NORTH  
CAROLINA STATE BAR.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 84-4.1 reads as rewritten:

**"§ 84-4.1. Limited practice of out-of-state attorneys.**

Any attorney domiciled in another state, and regularly admitted to practice in the courts of record of that state and in good standing therein, having been retained as attorney for a party to any civil or criminal legal proceeding pending in the General Court of Justice of North Carolina, the North Carolina Utilities Commission, the North Carolina Industrial Commission, the Office of Administrative Hearings of North Carolina, or any administrative agency, may, on motion, be admitted to practice in that forum for the sole purpose of appearing for a client in the litigation. The motion required under this section shall be signed by the attorney and shall contain or be accompanied by:

- (1) The attorney's full name, post-office address, bar membership number, and status as a practicing attorney in another state.
- (2) A statement, signed by the client, setting forth the client's address and declaring that the client has retained the attorney to represent the client in the proceeding.
- (3) A statement that unless permitted to withdraw sooner by order of the court, the attorney will continue to represent the client in the proceeding until the final determination thereof, and that with reference to all matters incident to the proceeding, the attorney agrees to be subject to the orders and amenable to the disciplinary action and the civil jurisdiction of the General Court of Justice and the North Carolina State Bar in all respects as if the attorney were a regularly admitted and licensed member of the Bar of North Carolina in good standing.
- (4) A statement that the state in which the attorney is regularly admitted to practice grants like privileges to members of the Bar of North Carolina in good standing.
- (5) A statement to the effect that the attorney has associated and is personally appearing in the proceeding, with an attorney who is a resident of this State and is duly and legally admitted to practice in the General Court of Justice of North Carolina, upon whom service may be had in all matters connected with the legal proceedings, or any disciplinary matter, with the same effect as if personally made on the foreign attorney within this State.
- (6) A statement accurately disclosing a record of all that attorney's disciplinary history. Discipline shall include (i) public discipline by any court or lawyer regulatory organization, and (ii) revocation of any pro hac vice admission.

Compliance with the foregoing requirements does not deprive the court of the discretionary power to allow or reject the application."

**SECTION 2.** G.S. 84-23 reads as rewritten:

**"§ 84-23. Powers of Council.**

Subject to the superior authority of the General Assembly to legislate thereon by general law, and except as herein otherwise limited, the Council is hereby vested, as an agency of the State, with the authority to regulate the professional conduct of licensed attorneys. Among other powers, the Council shall administer this Article; take actions that are necessary to ensure the competence of lawyers; formulate and adopt rules of professional ethics and conduct; investigate and prosecute matters of professional misconduct; grant or deny petitions for reinstatement; resolve questions pertaining to membership status; arbitrate disputes concerning legal fees; certify legal specialists; determine whether a member is disabled; and formulate and adopt procedures for accomplishing these purposes. The Council or any committee thereof, including the Client Security Fund and the Disciplinary Hearing Commission or any committee thereof, shall have the authority to subpoena financial records of any licensed attorneys, attorneys whose licenses have been suspended, or disbarred attorneys, relating to any account into which client or fiduciary funds have been deposited. The Council may publish an official journal concerning matters of interest to the legal profession and may acquire, hold, rent, encumber, alienate, and otherwise deal with real or personal property in the same manner as any private person or corporation, subject only to the approval of the Governor and the Council of State as to the acquisition, rental, encumbering, leasing and sale of real property. The Council is authorized and empowered in its discretion to utilize the services of the Purchase and Contract Division of the Department of Administration for the procurement of personal property, in accordance with the provisions of Article 3 of Chapter 143 of the General Statutes; and to do all things necessary in the furtherance of the purposes of this Article as are not prohibited by law."

**SECTION 3.** G.S. 84-28.1(a) reads as rewritten:

"(a) There shall be a disciplinary hearing commission of the North Carolina State Bar which shall consist of ~~15-20~~ members. ~~Ten-Twelve~~ of these members shall be members of the North Carolina State Bar, and shall be appointed by the Council. The other ~~five-eight~~ shall be citizens of North Carolina not licensed to practice law in this or any other state, ~~three-four~~ of whom shall be appointed by the Governor, ~~one-two~~ by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, and ~~one-two~~ by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. The Council shall designate one of its appointees as chair and another as vice-chair. The chair shall have actively practiced law in the courts of the State for at least 10 years. Except as set out herein, the terms of members of the commission are set at three years commencing on the first day of July of the year of their appointment. The Council, the Governor, and the General Assembly respectively, shall appoint members to fill unexpired terms when vacancies are created by resignation, disqualification, disability or death, except that vacancies in appointments made by the General Assembly may also be filled as provided by G.S. 120-122. No member may serve more than a total of seven years or a one-year term and two consecutive three-year terms: Provided, that any member or former member who is designated chair may serve one additional three-year term in that capacity. No member of the Council may be appointed to the commission."

**SECTION 4.** This act becomes effective October 1, 2003.  
In the General Assembly read three times and ratified this the 22<sup>nd</sup> day of  
May, 2003.

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Marc Basnight  
President Pro Tempore of the Senate

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James B. Black  
Speaker of the House of Representatives

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Michael F. Easley  
Governor

Approved \_\_\_\_\_m. this \_\_\_\_\_ day of \_\_\_\_\_, 2003