Family Law Software
A CENTERBASE COMPANY

Legal and Regulatory Requirements

Area	Why It Matters	Typical Obligations / Risks	New York / U.S. Specifics to Watch
Unauthorized practice of law (UPL) / regulatory boundaries	Because your software produces legal documents or helps with legal workflows, there's a risk that you might cross a line into "practicing law" without being a law firm	• Ensure your product is positioned as a *tool* (software), not providing legal advice. • Disclaimers; user agreements clarifying that only licensed attorneys should use/approve final docs. • Review by attorneys, not merely by algorithm. • Be alert for rules in various states about nonlawyers assisting in legal services.	Some jurisdictions are experimenting with loosening restrictions on nonlawyers and legal-tech models (e.g. Washington pilot reforms) Reuters. But in New York, the state's rules of professional conduct and bar rules may draw a bright line around what "legal services" may be delegated or automated.
Data privacy and security (cyber, breaches, confidentiality)	You will likely be handling sensitive personal data (client names, case facts, family / children, financials) — very high sensitivity in legal domain	• Comply with applicable data protection laws (federal, state). • Maintain "reasonable" administrative, technical, physical safeguards. • Breach notification	In New York, the **SHIELD Act** (Stop Hacks and Improve Electronic Data Security Act) requires businesses handling private information of New York residents to adopt "reasonable safeguards" and notify if there is a breach. New

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		obligations. • Data encryption, access controls, audits, logging. • Contracts / terms with customers covering data handling, retention, deletion. • Vendor / subcontractor oversight. • Data localization or cross-border transfer rules if you operate across borders.	York State Unified Court System+2Super Lawyers+2 Also, New York recently strengthened its data breach laws (e.g. stricter notification timing, broader definitions of private information) Public Law Library Emerging New York privacy bills (e.g. New York Privacy Act) may impose further obligations (e.g. disclosure, opt-outs) if passed. Nixon Peabody LLP+1
Consumer / user privacy, disclosures, user rights	Even though your clients are attorneys, you may also collect data about their clients (or ultimate consumers). Privacy rules may treat them as "consumers."	• Provide privacy notices, disclosures. • Allow individuals to exercise rights (access, deletion, correction) if required. • Opt-out for certain uses (profiling, analytics) where mandated. • Data minimization, purpose limitation. • Keep audit trails of consent, versioning.	New York's proposed privacy laws would require certain disclosures around de-identification and data sharing, if enacted. NYSenate.gov+1 Also, as of 2025, New York has privacy provisions for "consumer personal data" that may require strong transparency and control. LegalClarity+1

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Intellectual property / licensing	Your software, templates, document libraries, algorithms are IP assets — also, you may rely on third-party libraries, open source, etc.	• Secure copyrights, patents (as applicable). • Properly license any open source / third-party components (avoid license incompatibilities). • Protect your trade secrets and proprietary data (NDAs, internal controls). • Ensure you have rights to templates or content used. • Avoid infringing others' IP (document forms, content).	Standard U.S. copyright / patent / trademark laws apply. If you rely on government or court-provided template forms (e.g. New York State court forms), ensure your use is permitted (public domain or under permissible license).
Product / software liability / professional liability	If your software generates an incorrect document that causes harm to a client (or a lawyer's client), your company may face claims	• Terms-of-service disclaimers, limitation of liability. • Indemnification clauses. • Error-checking, versioning, audit, "human in the loop." • Quality assurance, testing, version control, logging. • Insurance (errors & omissions, cyber insurance).	In the legal-tech field, this risk is especially acute—your users expect high correctness. Courts may look at standard of care, risk of harm, indemnity clauses.

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Regulated data domains (if relevant)	If your product ever handles data in regulated sectors (e.g. health, child support, finances) there may be additional compliance layers	• For health data: HIPAA / HITECH (if you cross into health / medical records). • For financial or tax data: IRS rules, state financial regulations. • For minors or child data: particular protections under family law contexts.	Even if you don't start in these domains, if your product evolves (e.g. handling medical records, financial affidavits), you might trigger new obligations.
Consumer protection / unfair trade / deceptive acts	The government or plaintiffs could challenge your marketing, representations, or hidden terms	• Avoid misleading statements about guarantees, accuracy, results. • Clear disclosures of limitations. • Transparent pricing, subscription / cancellation terms. • Adhere to state consumer protection statutes (e.g. New York General Business Law, federal FTC rules).	FTC's rules on consumer protection, unfair or deceptive acts apply nationwide. New York has consumer protection statutes (e.g. GBL § 349) which prohibit deceptive practices.
Regulatory licensing, corporate registration, tax compliance	Basic business operations must meet state, local, and federal requirements	• Entity formation, registration, corporate filings. • Business licenses, local permits (zoning, home office, etc.). • Sales/use tax or digital goods tax (if	In New York, all businesses must register with the Department of State, Division of Corporations, etc. State Regs Today New York doesn't always tax software as tangible

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		selling software or subscriptions). • Employment law compliance, payroll, benefits. • Export control / cross-border software rules. • ADA/web accessibility compliance (if public-facing).	goods, but subscription software may be taxed depending on jurisdiction. (Check NY State Dept. of Taxation & Finance rules.) Also, UETA / ESIGN (federal) allow electronic signatures / records — ensure your software complies with the legal requirements for e-signature and record retention. Web accessibility (e.g. WCAG) is not always statutorily mandated, but noncompliance can bring claims (ADA or state analog).
Cross-jurisdictional compliance	Your users may be in many states, and your software may impact clients in multiple jurisdictions	• Comply with laws in all jurisdictions where you operate or whose data you process. • Local rules about legal services, data privacy, consumer protection. • Licensing / registration in foreign jurisdictions.	For example, different states have different rules about legal document preparation, nonlawyer assistance, privacy laws (e.g. California CCPA/CPRA, Illinois Biometric Act, etc.). You may also need to consider federal laws (e.g. for interstate commerce, federal privacy or data breach rules, etc.).
Regulation of AI / algorithmic	If portions of your solution generate or	• Transparency / explainability —	AI in legal tech is increasingly under

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decisioning (if your software uses AI)	assist with content using models, there may be enhanced scrutiny	disclose that content is machine-generated. • Guardrails, human oversight, auditing. • Avoid biases, discriminatory outcomes. • Keep logs, versioning, ability to correct errors.	regulatory radar. Some states and federal agencies are exploring rules for "automated decision systems." If your product is advising or recommending legal text, ethical / liability risks multiply.
Professional rules / ethics obligations for attorneys	Because your product interacts with attorneys and their client files, you may get pulled into professional ethics issues	• Ensure confidentiality, privilege protection. • Avoid conflicts of interest. • Be careful about database of precedents or form libraries being used for improper sharing of legal work or ghostwriting issues. • Be mindful of bar rules in each state about document assembly products, law-adjacent tools.	In New York, the Rules of Professional Conduct will apply to the attorneys using your product. Some states require that document preparers indicate their non-attorney status. Some courts or bar associations issue opinions about acceptable use of document-automation tools.