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NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

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RICHLIN SECURITY SERVICE CO. v. CHERTOFF, SECRETARY OF HOMELAND SECURITY

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

No. 06-1717. Argued March 19, 2008—Decided June 2, 2008

After prevailing against the Government on a claim originating in the Department of Transportation's Board of Contract Appeals, petitioner (Richlin) filed an application with the Board for reimbursement of attorney's fees, expenses, and costs, pursuant to the Equal Access to Justice Act (EAJA). The Board concluded, *inter alia*, that Richlin was not entitled to recover paralegal fees at the rates at which it was billed by its law firm, holding that EAJA limited such recovery to the attorney's cost, which was lower than the billed rate. In affirming, the Federal Circuit concluded that the term "fees," for which EAJA authorizes recovery at "prevailing market rates," embraces only the fees of attorneys, experts, and agents.

Held: A prevailing party that satisfies EAJA's other requirements may recover its paralegal fees from the Government at prevailing market rates. Pp. 4–18.

(a) EAJA permits a prevailing party to recover "fees and other expenses incurred by that party in connection with" administrative proceedings, 5 U. S. C. §504(a)(1), including "the reasonable expenses of expert witnesses, the reasonable cost of any study, analysis, engineering report, test, or project . . . , and reasonable attorney or agent fees," and bases the amount of such fees on "prevailing market rates," §504(b)(1)(A). Because Richlin "incurred" "fees" for paralegal services in connection with its action before the Board, a straightforward reading of the statute demonstrates that Richlin was entitled to recover fees for the paralegal services it purchased at the market rate for such services. The Government's contrary reading—that expenditures for paralegal services are "other expenses" recoverable only at "reasonable cost"—is unpersuasive. Section 504(b)(1)(A) does not

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clearly distinguish between the rates at which "fees" and "other expenses" are reimbursed. Even if the statutory text supported the Government's dichotomy, it would hardly follow that amounts billed for paralegal services should be classified as "expenses" rather than as "fees." Paralegals are surely more analogous to attorneys, experts, and agents than to studies, analyses, reports, tests, and projects. Even if the Court agreed that EAJA limited paralegal fees to "reasonable cost," it would not follow that the cost should be measured from the perspective of the party's attorney rather than the client. By providing that an agency shall award a prevailing party "fees and other expenses ... incurred by that party" (emphasis added), §504(a)(1) leaves no doubt that Congress intended the "reasonable cost" of §504(b)(1)(A)'s items to be calculated from the litigant's perspective. It is unlikely that Congress, without even mentioning paralegals, intended to make an exception of them by calculating their cost from their employer's perspective. It seems more plausible that Congress intended all "fees and other expenses" to be recoverable at the litigant's "reasonable cost," subject to the proviso that "reasonable cost" would be deemed to be "prevailing market rates" when such rates could be determined. Pp. 4-8.

(b) To the extent that some ambiguity subsists in the statutory text, this Court need look no further to resolve it than Missouri v. Jenkins, 491 U.S. 274, where the Court addressed a similar question with respect to the Civil Rights Attorney's Fees Awards Act of 1976 which provides that a court "may allow the prevailing party ... a reasonable attorney's fee as part of the costs," 42 U.S.C. §1988 finding it "self-evident" that "attorney's fee" embraced the fees of paralegals as well as attorneys, 491 U.S., at 285. EAJA, like §1988, entitles certain parties to recover "reasonable attorney ... fees," §504(b)(1)(A), and makes no mention of the paralegals, "secretaries, messengers, librarians, janitors, and others whose labor contributes to the work product for which an attorney bills her client," 491 U.S., at 285. Thus, EAJA, like §1988, must be interpreted as using the term "attorney . . . fees" to reach fees for paralegal services as well as compensation for the attorney's personal labor, making "self-evident" that Congress intended that term to embrace paralegal fees. Since §504 generally provides for recovery of attorney's fees at "prevailing market rates," it follows that paralegal fees must also be recoverable at those rates. The Government's contention that Jenkins found paralegal fees recoverable as "attorney's fee[s]" because §1988 authorized no other recoverable "expenses" finds no support in Jenkins itself, which turned not on extratextual policy goals, but on the "selfevident" proposition that "attorney's fee[s]" had historically included paralegal fees. Indeed, this Court rejected the Government's inter-

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pretation of *Jenkins* in *West Virginia Univ. Hospitals, Inc.* v. *Casey*, 499 U. S. 83, concluding that a petitioner seeking expert witness fees under §1988 could not rely on *Jenkins* for the proposition that §1988's "broad remedial purposes" allowed recovery of fees not expressly authorized by statute. Pp. 8–11.

(c) Even assuming that some residual ambiguity in the statutory text justified resorting to extratextual authorities, the legislative history cited by the Government does not address the question presented and policy considerations actually counsel in favor of Richlin's interpretation. Pp. 11–18.

472 F. 3d 1370, reversed and remanded.

ALITO, J., delivered the opinion of the Court, in which ROBERTS, C. J., and STEVENS, KENNEDY, SOUTER, GINSBURG, and BREYER, JJ., joined, in which SCALIA, J., joined except as to Part III—A, and in which THOMAS, J., joined except as to Parts II—B and III.