



News Release

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Office of Attorney Ethics Releases 2012 Annual Report

Charles Centinaro, director of the Office of Attorney Ethics (OAE) of the New Jersey Supreme Court, today announced the release of the 2012 Attorney Disciplinary System Report.

The OAE investigates allegations of serious attorney misconduct and files formal complaints when warranted. In addition to its investigative and prosecutorial responsibilities, the OAE oversees 18 district ethics committees (DECs), 17 district fee arbitration committees, the random audit program, and the annual attorney registration process. Its annual report contains detailed information and statistics on each of these areas. The report can be found at njcourts.com.

OAE Report Highlights

Improvements in Case Processing

The OAE continued to improve the timeliness of its investigations. In 2012, 84 percent of its investigations were completed within established time goals, compared to 83 percent in 2011. The DECs completed 78 percent of their investigations within established time goals, compared to 76 percent in 2012.

Investigations and Formal Complaints

In 2012, a total of 1,349 new investigations were added, a 3 percent decline from the 2011 total of 1,392. The number of formal complaints filed decreased by 25 percent, from 317 complaints in 2011 to 270 complaints in 2012. The number of complaints filed in 2012 is consistent with the number of complaints filed between 2006 and 2010. The higher number of complaints filed in 2011 reflects the fact that some attorneys were the subject of multiple complaints.

Public Discipline

Disciplinary sanctions are imposed by the Supreme Court and include both final discipline, which is imposed after the completion of an investigation, hearing and review by the DRB, and emergent actions, which are imposed to protect the public while the disciplinary case is pending.

The report reflects a 5 percent increase in the number of attorneys sanctioned by the Supreme Court, from 171 in 2011 to 179 in 2012. These totals include all attorneys on whom final discipline was imposed as well as those against whom emergent action was taken.

The orders for final discipline issued in 2012 included:

- 15 disbarments
- 16 disbarments by consent
- 26 term suspensions
- 13 censures
- 31 reprimands
- 38 admonitions.

The Supreme Court also issued 40 temporary license suspensions in 2012.

Suspended attorneys can apply for reinstatement with the Supreme Court. The application is reviewed by the OAE, the DRB, and the Supreme Court. In 2012, the Supreme Court granted reinstatement to 12 attorneys, compared to the 13 attorneys reinstated in 2011.

Fee Arbitration Program

The fee arbitration program adopted by the Supreme Court in 1978 provides a neutral, confidential forum in which clients and attorneys can resolve legal fee disputes. The 17 fee arbitration committees rely on approximately 275 volunteers, both attorneys and members of the public, to determine the appropriateness of attorneys' fees. In 2012, the program received 895 new filings, a 2.5 percent decrease from the 922 filings received in 2011. The program resolved 806 fee matters involving \$11.3 million in legal fees.

Random Audit Program

The OAE conducts random audits of private law firms that handle client funds to ensure compliance with the Supreme Court's stringent rules on financial recordkeeping. The purpose of the program is to protect the public from those few attorneys who misuse client funds and to educate and inform attorneys about proper accounting procedures.

More than 31 years after the random audit program began, the conclusion is that the overwhelming majority of private New Jersey law firms, 98.6 percent, account for clients' funds honestly and without incident. While technical accounting deficiencies are found and corrected, the fact is that only 1.4 percent of the audits conducted over that period have found serious ethical violations, such as misappropriation of clients' trust funds.

As a result of the audit program, final sanctions ranging from admonishment through disbarment were imposed on six attorneys in 2012, including two disbarments.

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