

News Release

www.njcourts.com

For more information: Winnie Comfort Tammy Kendig 609-292-9580 For immediate release: July 10, 2014

Office of Attorney Ethics Releases 2013 Annual Report

Charles Centinaro, director of the Office of Attorney Ethics (OAE) of the New Jersey Supreme Court, today announced the release of the 2013 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

The prompt completion of investigations is a high priority for the OAE. In 2013, the office maintained that high standard with 83 percent of its investigations completed within established time goals. This is slightly less than the 84 percent compliance reported for 2012. The average time to disposition, however, decreased from 154 days in 2012 to 153 days in 2013. The DECs completed 78 percent of their investigations within established time goals, compared to 76 percent in 2012. They also decreased their average time to disposition, from 132 days in 2012 to 131 days in 2013.

Investigations and Formal Complaints

In 2013, a total of 1,349 new investigations were added, only nine fewer than in 2012. The number of formal complaints filed decreased by 5.5 percent, from 238 complaints in 2012 to 225 complaints in 2013.

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 Disciplinary Review Board (DRB), and emergent actions, which are imposed to protect the public while the disciplinary case is pending.

The report reflects a small decrease in the number of attorneys sanctioned by the Supreme Court, from 179 in 2012 to 170 in 2013. 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 2013 included:

10 disbarments

14 disbarments by consent

23 term suspensions

27 censures

36 reprimands

25 admonitions.

The Supreme Court also issued 35 temporary license suspensions in 2013, five fewer than 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 2013, the Supreme Court granted reinstatement to 12 attorneys, which is the same number reinstated in 2012.

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 288 volunteers, both attorneys and members of the public, to determine the appropriateness of attorneys' fees. In 2013, the program received 1,049 new filings, a 17.2 percent increase from the 895 filings received in 2012. The program resolved 1,108 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. New Jersey is one of only nine states with a statewide random audit program.

Since its inception in 1981, the random audit program has provided reliable evidence that the overwhelming majority of New Jersey law firms—98.6 percent—account for clients' funds honestly and without incident. Only 1.4 percent of the audits conducted through the program have uncovered serious ethical violations, such as misappropriation of clients' trust funds.

As a result of the audit program, final sanctions were imposed on four attorneys in 2013, including one censure, one admonishment and two disbarments.

###