

News Release

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Office of Attorney Ethics Releases 2014 Annual Report

Charles Centinaro, director of the Office of Attorney Ethics (OAE) of the New Jersey Supreme Court, today announced the release of the 2014 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 2014, the office maintained that high standard with 83 percent of its investigations completed within established time goals. While the average time to disposition for pending investigations within the OAE increased from 153 days in 2013 to 166 days in 2014, the DECs reduced the average age of their pending investigations from 131 days in 2013 to 129 days in 2014. The DECs completed 80 percent of their investigations within established time goals, compared to 78 percent in 2012.

Investigations and Formal Complaints

In 2014, a total of 1,327 new investigations were added, slightly fewer than the 1,340 investigations filed in 2013. The number of formal complaints filed remained fairly steady, with 226 complaints filed in 2013 compared to 225 filed in 2014.

Public Discipline

Disciplinary sanctions are imposed by the Supreme Court and include 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 increase in the number of attorneys sanctioned by the Supreme Court, from 170 in 2013 to 174 in 2014. 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 2014 included:

14 disbarments

17 disbarments by consent

35 term suspensions

1 indeterminate suspension

25 censures

29 reprimands

26 admonitions.

The Supreme Court also issued 24 temporary license suspensions in 2014, nine fewer than in 2013.

Suspended attorneys can apply for reinstatement with the Supreme Court. The application is reviewed by the OAE, the DRB, and the Supreme Court. In 2014, the Supreme Court granted reinstatement to 12 attorneys, the same number reinstated in 2013.

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 2014, the program received 1,194 new filings, a 13.8 percent increase from the 1,049 filings received in 2013. The program resolved 1,160 fee matters involving \$13.1 million in legal fees. In 35 percent of the cases, the panel upheld the attorney's fees in full.

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 eight attorneys in 2014, including one censure, three admonitions, one reprimand, and three disbarments by consent.

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