

News Release

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Office of Attorney Ethics Releases 2015 Annual Report

The Office of Attorney Ethics (OAE) of the New Jersey Supreme Court today released its annual <u>Attorney</u> Disciplinary System Report, announced OAE Director Charles Centinaro.

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 volunteer District Ethics Committees (DEC's), 17 district fee arbitration committees, the random audit program, and the annual attorney registration process. The annual report contains detailed information and statistics on each of these areas and can be found at njcourts.com.

OAE Report Highlights

The prompt completion of investigations is a high priority for the OAE. In 2015, the office completed 80 percent of its investigations within established times goals. The average time to disposition for pending OAE investigations was 166 days.

Investigations and Formal Complaints

In 2015, a total of 1,191 new investigations were added. The OAE also filed more complaints in 2015 than in the previous year, with 234 complaints filed compared to 226 in 2014.

Public Discipline

Disciplinary sanctions are imposed by the Supreme Court. Sanctions 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.

In 2015, 149 attorneys were sanctioned by the Supreme Court, a 14 percent decrease from the 174 attorneys sanctioned in 2014. These totals include all attorneys on whom final discipline was imposed as well as those against whom emergent action was taken.

The 115 final sanctions for discipline issued in 2015 included: six disbarments, 17 disbarments by consent, 25 term suspensions, one indefinite suspension, 19 censures, 28 reprimands and 19 admonitions.

The Supreme Court also issued 33 temporary license suspensions in 2015. Suspended attorneys can apply for reinstatement with the Supreme Court. The application is reviewed by the OAE, the DRB, and the Supreme

Court. In 2015, the Supreme Court granted reinstatements to 15 attorneys.

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 volunteers, both attorneys and members of the public, to determine the appropriateness of attorney fees. In 2015, the program received 1,014 new filings. District fee committees arbitrated matters involving approximately \$12.9 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 financial recordkeeping rule. 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 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.

The random audit program conducted 463 audits of law firms in 2015. As a result of the program, the Supreme Court imposed disciplinary measures against four attorneys in 2015, with one attorney receiving a reprimand and the other three barred by consent.

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